

Timothy M. Keller
State Auditor



Sanjay Bhakta, CPA, CGFM, CFE, CGMA
Deputy State Auditor

State of New Mexico
OFFICE OF THE STATE AUDITOR

VIA EMAIL AND U.S. MAIL

March 15, 2016

Hanna Skandera
Secretary of Education
Public Education Department
300 Don Gaspar Avenue
Santa Fe, NM 87501

Re: FY2015 Public Education Department Audit

Dear Secretary Skandera:

On March 11, 2016, the Office of the State Auditor (OSA) released the Fiscal Year 2015 (FY15) annual financial and compliance audit for the New Mexico Public Education Department (PED). The report, which was completed by the public accounting firm Axiom, LLC, raises serious concerns regarding financial practices at many state-chartered charter schools.

The number of state-chartered charter schools has grown substantially in recent years, from just two in 2008 to 59 in 2015. While charter schools are run directly by their respective governing bodies, PED plays a critical ongoing role in monitoring and supporting these schools and ensuring financial accountability, including assistance from the Charter School Division and the School Budget and Finance Analysis Bureau. Ultimately, as PED noted in the audit report, the "Department is responsible for providing regulatory oversight of the Charter Schools...." (Vol. I, Page 105, Note 1).

Of the 59 state-chartered charter schools included as PED component units in the report, six have "disclaimed" opinions. This means the auditor concluded that the schools' financial statements are such that it is not possible to even form an opinion and that there may be material and pervasive misstatements. It is deeply troubling that about 10 percent of state-chartered charter schools have one of the worst audit opinions possible.

Additionally, the audit contains 195 findings across all the charter schools, including significant deficiencies, material weaknesses, and material non-compliance regarding cash management and accounting practices. Furthermore, the report found 15 schools where licensure or background check documentation was lacking in personnel files. Other significant problems identified include the inability to reconcile cash, weak internal controls, procurement violations, overspending, lack of sound accounting practices, and payroll deficiencies. Many of these findings were repeated from previous fiscal years and have continued to go unaddressed.

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PED needs to improve financial and regulatory oversight of charter schools and provide additional training and support to help address these shortcomings and to ensure compliance with applicable state and federal laws, rules and regulations. Millions of dollars of funds are potentially at risk due to the various issues highlighted in the report and schools are susceptible to fraud, waste and abuse.

The OSA is evaluating whether additional actions may be required to ensure appropriate PED oversight controls are in place. Therefore, the OSA requests that PED provide a corrective action plan detailing the measures PED intends to take to increase oversight and provide additional support in key areas, such as technical assistance, training, and other steps necessary to develop and maintain adequate financial controls at charter schools. This plan should be submitted to the OSA no later than April 15, 2016.

In addition to the issues related to charter schools, the audit also includes several concerning findings specific to PED and its Division of Vocational Rehabilitation (DVR). For example, due to material weaknesses in PED's financial reporting processes, Severance Tax Bond Capital Outlay expenditures were understated by over \$21 million, Public School Capital Improvement revenues were understated by about \$101,000, and the Department over reverted \$2.2 million to the General Fund for teacher and school leader programs and support for training, preparation, recruitment and retention.

DVR had a maintenance of effort deficit of \$2.7 million for a U.S. Department of Education vocational rehabilitation grant, which resulted in a reduction of the grant award by this amount in federal fiscal year 2015. Furthermore, DVR audit testing revealed that about 10 percent of the Individual Plans For Employment reviewed, which must be completed with 90 days of a determination of eligibility, were not completed in a timely manner. This means eligible individuals may not receive vocational rehabilitation benefits in a timely manner. The federal government could also reduce funding for non-compliance with program requirements.

The issues identified in the audit report are not simply accounting technicalities. The failure to address these shortcomings directly impacts our state's ability to deliver quality educational and vocational services to New Mexicans. Taking prompt corrective action will promote efficient and effective operations of charter schools, safeguard public resources, and provide the support necessary for schools to succeed.

Please do not hesitate to contact Deputy State Auditor Sanjay Bhakta, CPA, CGFM, CFE, CGMA at (505) 476-3800 if you have any questions regarding this matter.

Respectfully,

A handwritten signature in black ink that reads "Timothy M. Keller". The signature is written in a cursive style with a long horizontal line extending to the right.

Timothy M. Keller
State Auditor

cc: Deputy Secretary Aguilar, Public Education Department

STATE OF NEW MEXICO

PUBLIC EDUCATION DEPARTMENT

Financial Statements
June 30, 2015

VOLUME I



AXIOM

*Certified Public Accountants
and Business Advisors LLC*

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**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
OFFICIAL ROSTER
JUNE 30, 2015**

Administrative Officials

Hanna Skandera	Secretary of Education
Hipolito Aguilar	Deputy Secretary, Finance & Operations
Leighann Lenti	Deputy Secretary, Policy and Program
Marian Rael	Director, Administrative Services Division, CFO
Molly Saiz	Audit and Accounting Bureau Chief
John Wolf	Director, School Budget & Finance Analysis Bureau
Antonio Ortiz	Director, Capital Outlay Bureau
Matthew Montano	Director, Educator Quality Division
Vacant	Director, Accountability & Assessment
Katie Poulos	Director, Parent Options
Vacant	Assistant Secretary, Indian Education Division
Matt Phal	Policy Director
Denise Koscielniak	Director, Federal Programs
Michael Archibeque	Chief Information Officer
Annjenette Torres	Director, Strategic Initiatives and Constituent Services
Robert McEntyre	Public Information Officer
Hipolito Aguilar	Acting Director, Division of Vocational Rehabilitation
Michael Mulligan	Deputy Director, Division of Vocational Rehabilitation
	Administrative Services Unit
Annette Ortega	Chief Financial Officer, Division of Vocational Rehabilitation

Public Education Commission

Eleanor Chavez	Commissioner	Albuquerque	District 1
Millie Pogna	Commissioner	Albuquerque	District 2
Carmie Lynn Toulouse	Commissioner	Albuquerque	District 3
Karyl Ann Armbruster	Commissioner	Los Alamos	District 4
James Conyers	Commissioner	Bloomfield	District 5
Gilbert G. Peralta	Secretary	Socorro	District 6
Patricia Gipson	Commissioner	Las Cruces	District 7
Vince Bergman	Vice Chair	Roswell	District 8
Carolyn Shearman	Chairperson	Artesia	District 9
Jeff Carr	Commissioner	Eagle Nest	District 10

INDEPENDENT AUDITOR'S REPORT

To Hanna Skandera, Secretary of Education
New Mexico Public Education Department
and Mr. Tim Keller
New Mexico State Auditor

Report on Financial Statements

We have audited the accompanying financial statements of the governmental activities, each discretely presented component unit (New Mexico state chartered charter schools), each major fund, and the aggregate remaining fund information, and the budgetary comparisons for the general fund and major special revenue funds of the New Mexico Education Department ("Department"), as of and for the year ended June 30, 2015, and the related notes to the financial statements, 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 nonmajor governmental funds and fiduciary funds, and the budgetary comparison for the major capital projects fund and all nonmajor funds presented as supplementary information, as defined by the Government Accounting Standards Board, in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2015, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

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

Summary of Opinions

Opinion Unit	Type of Opinion
All Governmental Activities Funds	Unmodified
Fiduciary Funds	Unmodified
Discretely Presented Component Unit and its Funds:	
Creative Education Preparatory Institute #1	Disclaimer
Health Sciences Academy	Disclaimer
Southwest Intermediate Learning Center	Disclaimer
Southwest Primary Learning Center	Disclaimer
Southwest Secondary Learning Center	Disclaimer
Southwest Aeronautics, Mathematics, and Science Academy	Disclaimer
Academy of Trades and Technology Foundation (Discretely presented fund of the Academy of Trades and Technology Charter)	Disclaimer
Academy of Trades and Technology (all funds, except foundation)	Unmodified
Each Remaining Discretely Presented Component Unit	Unmodified

Basis for Disclaimer of Opinion on the Creative Education Preparatory Institute #1, a Discretely Presented Component Unit, and its Funds

Management of the Creative Education Preparatory Institute #1 (“CEPI”) was unable to provide sufficient evidential matter in support of certain transactions and account balances, as presented in the CEPI financial statements and the related fund financial statements as of and for the year ended June 30, 2015. We were unable to satisfy ourselves by other auditing procedures concerning these reported balances for CEPI as a whole and its individual funds. Most notably we noted that cash is not being properly reconciled on a monthly basis and that entries are being posted to fund balance without adequate supporting documentation. As a result of these matters, we were unable to determine whether any adjustments might have been found necessary in respect of the balances reported on the CEPI financial statements.

Disclaimer of Opinion on the Creative Education Preparatory Institute #1 and its Funds

Because of the significance of the matters described in the “Basis for Disclaimer of Opinion on the Creative Education Preparatory Institute #1, a Discretely Presented Component Unit, and its Funds” paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on the financial statements of the CEPI or its related funds.

Basis for Disclaimer of Opinion on the Health Sciences Academy, a Discretely Presented Component Unit, and its Funds

The fiscal year ending June 30, 2015 was the first year Health Sciences Academy (“HSA”) was in existence. During the year ending June 30, 2015 HSA was ordered by the New Mexico Public Education Commission to cease operations effective June 30, 2015 and the Commission revoked the HSA’s charter. HSA did not appeal

the decision. Management of HSA had been involved in fraudulent reporting of student counts from out of state students to obtain inflated State Equalization Guarantee funding, failed to maintain appropriate separation of duties between the school and its board, failed to adequately address conflicts of interest, failed to properly comply with the State's procurement code and failed to have all required education programming in place. We were unable to satisfy ourselves by other auditing procedures concerning these reported violations and what impact they might have had on HSA as a whole and its individual funds. As a result of these matters, we were unable to determine whether any additional material adjustments might have been found necessary in respect of the balances reported on the HSA financial statements.

Disclaimer of Opinion on the Health Sciences Academy and its Funds

Because of the significance of the matters described in the "Basis for Disclaimer of Opinion on the Health Sciences Academy, a Discretely Presented Component Unit, and its Funds" paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on the financial statements of HSA or its related funds.

Basis for Disclaimer of Opinion on the Southwest Intermediate Learning Center, Southwest Primary Learning Center, Southwest Secondary Learning Center, and the Southwest Aeronautics, Mathematics, and Science Academy ("Southwest Charters"), Discretely Presented Component Units, and their related funds

The financial statements of the Southwest Charters have not been audited as management of the Southwest Charters was unable to provide sufficient evidential matter to support certain transactions and account balances, as presented for the Southwest Charters financial statements and related fund financial statements as of and for the year ended June 30, 2015. We were unable to satisfy ourselves by other auditing procedures concerning these reported balances for the Southwest Charters as a whole and its funds. As a result of these matters, we were unable to determine whether any adjustments might have been necessary in respect of the balances reported on the Southwest Charters financial statements.

Disclaimer of Opinion on the Southwest Intermediate Learning Center, Southwest Primary Learning Center, Southwest Secondary Learning Center, and the Southwest Aeronautics, Mathematics, and Science Academy and their related funds

Because of the significance of the matters described in the "Basis for Disclaimer of Opinion on the Southwest Intermediate Learning Center, Southwest Primary Learning Center, Southwest Secondary Learning Center, and the Southwest Aeronautics, Mathematics, and Science Academy ("Southwest Charters"), Discretely Presented Component Units, and their related funds" paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on the financial statements of the Southwest Charters or their related funds.

Basis for Disclaimer of Opinion on the Academy of Trades and Technology Foundation, a Fund of the Discretely Presented Component Unit (Academy of Trades and Technology Charter School)

Management of the Academy of Trades and Technology Foundation ("Foundation") was unable to provide sufficient evidential matter in support of certain transactions and account balances, as presented in the Foundation's financial statements as of and for the year ended June 30, 2015. We were unable to satisfy ourselves by other auditing procedures concerning these reported balances for the Foundation as a whole (as a discretely presented fund of the Academy of Trades and Technology Charter School).

Disclaimer of Opinion on the Academy of Trades and Technology Foundation (a Fund of the Discretely Presented Component Unit - Academy of Trades and Technology Charter School)

Because of the significance of the matters described in the “Basis for Disclaimer of Opinion on the Academy of Trades and Technology Foundation, a Fund of the Discretely Presented Component Unit (Academy of Trades and Technology Charter School)” paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on the financial statements of the Academy of Trades and Technology Foundation (a Fund of the Discretely Presented Component Unit - Academy of Trades and Technology Charter School).

Unmodified Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each discretely presented component unit (New Mexico state chartered charter schools), each major fund, and the aggregate remaining fund information of the Department, as of June 30, 2015, 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 accordance with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position for each nonmajor governmental funds and fiduciary funds of the Department as of June 30, 2015, and the respective changes in financial position thereof and the respective budgetary comparisons for the major capital projects fund and all nonmajor funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1, the financial statements of the Department are intended to present the financial position and changes in financial position of only that portion of the governmental activities of the State of New Mexico that is attributable to the transactions of the Department. They do not purport to, and do not present fairly the financial position of the State of New Mexico as of June 30, 2015, and the changes in its position and budgetary comparisons for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As discussed in Note 21 to the financial statements, in 2015 the Department’s discretely presented component units adopted new accounting guidance, *GASB Statement No. 68, Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27*. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management’s discussion and analysis on pages 15-45 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with

management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements, the combining and individual fund financial statements, and the budgetary comparisons. The Schedule of Expenditures of federal awards as required by Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and the other schedules as required by Section 2.2.2 NMAC are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 20, 2015 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* in considering the Department's internal control over financial reporting and compliance.

The logo for Axiom, featuring the word "Axiom" in a stylized, cursive blue font.

Albuquerque, New Mexico
November 20, 2015

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
MANAGEMENTS DISCUSSION AND ANALYSIS
Year Ended June 30, 2015**

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, 2015. 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 deviation 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 60 discretely presented component units: the Public Education Department, the Division of Vocational Rehabilitation, and 60 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 nine areas and twelve satellite offices statewide. This also includes the administration of the Social Security Disability Determination Services federal program.

The 60 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.

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Year Ended June 30, 2015**

Using the 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 Statement: The department-wide financial statements include the first two financial statements: the Statement of Net Position 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 Position reports the assets of the Department and the corresponding claims and liabilities against those assets at June 30, 2015. The difference between the value of the assets and the liabilities is reflected as the value of the net position. Increases or decreases in net position measure whether the financial position of the Department improved or deteriorated. Net position legally limited to a particular use is reported as restricted. Unrestricted net position contains assets that can be used to fund operating expenses in future years. A deficit (negative) balance in unrestricted net position 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 position during the 2015 fiscal year. This also includes health and welfare related expenses and cost of general government operations of the Division of Vocational Rehabilitation, with a comparison of program revenues obtained to finance them, and the general revenues made available to fund the difference.

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

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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 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 Position. 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

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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.

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 distinctly appropriated entities and 60 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 60 state authorized chartered schools following the department-wide discussion and analysis.

Financial Highlights

Public Education Department

- The Department has four major funds. The General fund (SHARE Fund 05700) accounts for administration of PED, not including DVR or federal administrative costs. DVR's administrative and direct costs are recorded in the Vocational Rehabilitation fund (SHARE Fund 50000) and the Disability Determination Services fund (SHARE Fund 50100), which together are presented as the DVR General Fund in the financial statements. The other funds are primarily pass-through funds and are described in more detail in the financial statements footnotes.

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- The Department's fiduciary activities are reported in separate statements of fiduciary net position and changes in fiduciary net position. 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.

Division of Vocational Rehabilitation

- As noted above, DVR has two major funds, which are combined in the financial statements for reporting purposes. The Vocational Rehabilitation Program is funded under the U.S. Department of Education's Rehabilitation Services Administration (RSA) with federal funding that requires 21.3% of the total expenditures under the program to be made with state matching funds. The remaining 78.7% are funded with the federal grant. DVR's other major program is the Disability Determination Program, which is funded by the U.S. Social Security Administration (SSA). The program does not require a state match and is funded 100% with a federal grant from SSA.
- DVR capital assets decreased by \$693,910, which was a result of a physical inventory count completed during the fiscal year that identified approximately \$804,288 of fully depreciated assets that were disposed of during the course of the fiscal year or did not exist. The reductions were offset by approximately \$67,479 of asset additions, net of \$42,899 of depreciation expensed during the fiscal year.
- 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 Workforce Innovation Opportunity Act of 2014, 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. Although it receives a separate appropriation from the Legislature and has its own business unit with the Department of Finance and Administration, DVR is a division of the Public Education Department.

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Financial Analysis of the Department as a Whole

Net Position

The Department's net position at June 30, 2015 was \$54,658,612. Table A-1 summarizes the Department's net position for the fiscal year ended June 30, 2015.

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

	(Dollars in Thousands)			
	June 30, 2015			June 30, 2014
	PED	DVR	Department	Department
<u>Assets</u>				
Current Assets	\$ 266,319	10,737	277,056	285,637
Capital assets, net	313	192	505	270
Total assets	266,632	10,929	277,561	285,907
<u>Liabilities</u>				
	213,590	9,312	222,902	230,418
<u>Net Position</u>				
Investment in capital assets	313	192	505	270
Restricted	43,082	2,161	45,243	40,916
Unrestricted (Deficit)	9,647	(736)	8,911	14,303
Total Net Position	\$ 53,042	1,617	54,659	55,489

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Changes in Net Position

The Department's change in net position for the year ended June 30, 2015 was \$(830,762).
Table A-2 summarizes the Department's changes in net position for fiscal year 2015.

**Table A-2
The Department's Changes in Net Position**

	(Dollars in Thousands)			
	Year Ended June 30, 2015			Year Ended June 30, 2014
	PED	DVR	Department	Department
<u>Program Revenue Grants</u>	\$ 385,638	29,529	415,167	431,126
<u>General Revenues</u>				
State appropriation	2,727,092	5,750	2,732,842	2,580,193
Inter-agency transfer, net	(7,031)	516	(6,515)	(1,659)
Reversions	(18,535)	-	(18,535)	(12,649)
Proceeds of state general obligation and severance tax bonds	46,339	-	46,339	40,537
Total general revenues	<u>2,747,865</u>	<u>6,266</u>	<u>2,754,131</u>	<u>2,606,422</u>
<u>Expenses</u>				
Education	(3,134,327)	-	(3,134,327)	(3,010,588)
Health and Welfare	-	(35,801)	(35,801)	(32,564)
Total Expenses	<u>(3,134,327)</u>	<u>(35,801)</u>	<u>(3,170,128)</u>	<u>(3,043,152)</u>
Change in net position	(824)	(6)	(830)	(5,604)
<u>Net Position</u>				
Beginning of Year	53,866	1,623	55,489	37,974
Restatement	-	-	-	23,119
Net Position Beginning of Year, as restated	<u>53,866</u>	<u>1,623</u>	<u>55,489</u>	<u>61,093</u>
Total Net Position	\$ <u>53,042</u>	<u>1,617</u>	<u>54,659</u>	<u>55,489</u>

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DVR's change in net position increased by \$168,993 between years. The increase results from various changes in revenue sources and expenditure categories, including an increase in operating grants.

PED's funding passes through to the 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 the fiscal year 2015, PED disposed of \$754,966 of IT equipment. There were no changes between FY 14 and FY 15 for DVR.

**Table A-3
The Department's Capital Assets**

	(Dollars in Thousands)			
	June 30, 2014			June 30, 2014
	PED	DVR	Department	Department
Art Acquisitions	\$ 6	-	6	6
Equipment and Machinery	1,390	1,168	2,558	5,517
Accumulated Depreciation	(1,083)	(976)	(2,059)	(5,253)
Total capital assets, net	\$ 313	192	505	270

Capital Assets for the Department are presented in Note 8 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.

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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.

General Fund 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.

Supplemental and special appropriations are not reflected in the actual beginning balances.

Over the course of the year, the Department adjusts its budget as authorized in the Appropriation Act. These budget adjustments fall into three categories:

- Budget adjustment requested made during the fiscal year to allow the Department to utilize funds where needed.
- Budget adjustment requests to increase or decrease other state funds based on actual revenues.
- Budget adjustment requests that adhere to required operating budget cuts in compliance with Legislative actions.

With regard to the Public Education Department, general fund support increased by \$183 Thousand 1.5% for FY15. The entire increase was for the increased costs for GSD rates.

Recognizing the importance of early learning of future student success, the Governor signed the General Appropriations Act that increased funding for Prekindergarten by \$4.3 Million, Kindergarten-three Plus by \$5.3 million, and \$3 million for early reading initiatives.

As part of the Governors teacher effectiveness initiative, \$4.6 million was appropriated for teacher and school leader preparation programs, \$7.3 million to support teacher and school leader training, recruitment and retention. To support parents, \$1.2 million was appropriated

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for the parent portal and \$100 thousand for parent advocacy. To accurately measure teacher effectiveness \$5.0 million was appropriated for a new teacher evaluation system.

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

PED's SHARE Fund No. 05700 General Fund expenditures by category on the modified accrual basis are shown below.

	<u>Final Budget</u>	<u>Actual Amount</u>
Personal Services & Employee Benefits	\$ 11,443,400	11,442,501
Contractual Services	1,277,200	1,276,677
Other	<u>1,486,863</u>	<u>1,466,135</u>
Total Expenditures	\$ <u>14,207,463</u>	<u>14,185,313</u>

PED's SHARE Fund No. 85800 Public School Support Flow Through expenditures by category on the modified accrual basis are shown below.

	<u>Final Budget</u>	<u>Actual Amounts</u>
Personal Services & Employee Benefits	\$ -	-
Contractual Services	-	-
Other	<u>2,586,684,254</u>	<u>2,570,924,932</u>
Total Education	\$ <u>2,586,684,254</u>	<u>2,570,924,932</u>

By virtue of the language contained in the General Appropriation Act, General Fund appropriations to NMDVR do not revert to the State General Fund.

The DVR federal Vocational Rehabilitation grant program continued to address challenges during FY15 in the areas of financial management, indirect costs, and maintenance-of-effort of effort requirements for non-federal expenditures. In FY 15 DVR transferred all its financials into SHARE and is now able to derive detailed accounting information from the SHARE accounting system.

The DVR budget for the Disability Determination Services program for FY15 remained virtually level from the previous fiscal year. DDS anticipated an increase in medical costs and medical consultant costs, however, medical costs decreased during the fiscal year. Limitations on hiring

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for vacated positions also impacted closing numbers due to employee retirements and transfers, without the ability to replace them.

Economic and Budgetary Factors

The Public Education Department overall FY 15 Budget was an increase of approximately \$183 thousand or 1.5 % from the FY 14 appropriated budget. The increase was for increased GSD rates.

NMDVR: The NMDVR experienced a reduction in its federal grant allotment under the Vocational Rehabilitation grant from Federal Fiscal Year 2014 (FFY2014) to FFY15 totaling approximately \$2.7 million. The FFY16 federal allotment under the program is expected to remain relatively consistent with the FFY15 amount.

The NMDVR Disability Determination Services Program continues to operate under hiring restrictions imposed by the U.S. Social Security Administration, which manages the DDS federal grant funding. This limitation can be modified by SSA depending upon funding availability.

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.

In FY 2011, fourteen additional schools were authorized as state-chartered. The fourteen schools include: Academy of Trades & Technology, Albuquerque Institute for Math & Science, Amy Biehl Charter High School, East Mountain High School, La Promesa Early Learning Center, New Mexico International School, Southwest Intermediate Learning Center, Southwest Primary

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Learning Center, Southwest Secondary Learning Center, The Great Academy, The Montessori Elementary School, Village Academy, J Paul Taylor Academy, and Aldo Leopold Charter School.

In FY 2012, fifteen additional schools were authorized as state-chartered. The thirteen schools include: Coral Community Charter, Estancia Valley Classical Academy, La Jicarita Community School, La Resolana Leadership Academy, La Tierra Montessori School of the Arts and Sciences, McCurdy Charter School, Mission Achievement and Success, Ralph J. Bunche Academy, Red River Valley Charter School, Sage Montessori Charter, Southwest Aeronautics, Mathematics, and Science Academy, The Learning Community Charter School, The New America School-Las Cruces, Uplift Academy, and the William W. & Josephine Dorn Charter Community School.

In FY 2013, one additional school was authorized as state chartered: Walatowa High Charter School.

In FY 2014, three additional schools were authorized as state-chartered. The three schools include: the Anthony Charter School, Health Leadership High School and the New Mexico Connections Academy. Please consider the additional schools when reviewing the financial analysis of the component units as a whole.

In FY 2015, five additional schools were authorized as state-chartered. The five schools include: Dream Diné Charter School, Explore Academy, Health Sciences Academy, La Academia Dolores Huerta and Taos International School.

Academy of Trades & technology

- **Brief Discussion**

The Academy of Trades and Technology teaches practical job skills in construction technology and graphing design. Students can earn a high school diploma and the skills needed for collage or a quality job after high school. Students engage in hands-on projects, job training, and community service.

ACE Leadership Academy

- **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

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Albuquerque. The school will capture their imagination and prepare them for college and work.

Albuquerque Institute of Math and Science

- **Brief Discussion**

Albuquerque Institute for Mathematics and Science at UNM (AIMS@UNM) is prepared to provide an extraordinary education to high AIMS@UNM students in the Albuquerque metropolitan area who are interested in pursuing careers requiring advanced math, science, and technology skills. AIMS@UNM will educate an intellectually single minded blend of culturally, ethnically and economically diverse students in a culture of rigor and strength of fortitude, preparing them for early college entrance; driven by motivation, fueled by innovation and guided by a spirit of public service. It will prepare its graduates for post-secondary education, gainful employment, and leadership in New Mexico's high technology industry.

Albuquerque School of Excellence

- **Brief Discussion**

Albuquerque School of Excellence (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

- **Brief Discussion**

The Albuquerque Sign Language Academy 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

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further expand the critical mass of bilingual peers, direct instruction in ASL will be provided across content areas.

Aldo Leopold Charter School

- **Brief Discussion**

Learner centered taking into account students' individual learning styles, multiple intelligences and cultural background to insure effective instructional design and practices in the context of the local community. The program is using local natural and community surroundings as a context for interconnecting all of the educational practices into a comprehensive school curriculum strategy. Model and foster a culture of healthy interpersonal dynamics and communication.

Alma d'Arte Charter High School

- **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.

Amy Biehl High School

- **Brief Discussion**

Amy Biehl High School (ABHS) transforms young people from all walks of life into civic-minded college students while they are still in high school. Located in the heart of downtown Albuquerque in a one hundred year old historic building, ABHS is redefining the value of a high school diploma by providing a challenging curriculum and cultivating close relationships with students and families.

Anthony Charter School

- **Brief Discussion**

In FY15, the charter for Anthony Charter School was revoked by the Public Education Commission. This decision was overturned on appeal and Anthony Charter School works with students and families to identify student abilities, both academically and social-emotionally, using a Personalized Education Plan as a pathway to ensure graduation. ACS provides flexible and personalized programs with each student developing a Personalized Education Plan. The Personalized Education Plan includes a social emotional learning component, based on the NM Core Stands and best instructional practices.

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The ASK Academy

- **Brief Discussion**

The Ask Academy (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.

Cesar Chavez Community School

- **Brief Discussion**

The Cesar Chavez Community School (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

- **Brief Discussion**

The Cien Aguas International School 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.

Coral Community Charter

- **Brief Discussion**

Coral Community Charter School (CCC) is a state chartered, public approved school that opened its doors in August 2012. CCC has grades K-3 and will add a grade each year until it serves grades K-6. We are dedicated to providing single gender classes, quality instruction, individualization, and family/community involvement in order to ensure students' proficiency.

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Cottonwood Classical Preparatory School

- **Brief Discussion**

The mission of the Cottonwood Classical Preparatory School (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.

Creative Education Preparatory Institute #1

- **Brief Discussion**

The Creative Education Preparatory Institutes (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.

Dream Diné

- **Brief Discussion**

Located in the Shiprock area, Dream Dine is a small elementary school currently serving students in grades K-2. Dream Dine opened in FY2015 with grades K-1. The school's goal is to matriculate bi-lingual students who can communicate fluently in both Navajo and English in academic, social and political settings, who have first-hand experience in applying cultural knowledge to address various challenges facing their own communities, and whose sense of identity allows them to pursue college, career, and community service.

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East Mountain High School

- **Brief Discussion**

East Mountain High School is a model college-preparatory school that provides outstanding learning experiences which engage, challenge and inspire each individual to achieve excellence.

Estancia Valley Classical Academy

- **Brief Discussion**

The Estancia Valley Classical Academy (EVCA) will provide students the benefit of a content rich and academically rigorous classical liberal arts education with a strong civics component, without the price tag of a private school. At EVCA, students will be challenged to excel both in academics and in moral discipline. Students will learn reading, math, and science through time proven methods and will learn a true account of history based in the reading of primary source documents. Furthermore, discipline, ethics, and personal responsibility will be modeled and expected. EVCA's aim is to develop the academic potential and personal character of each of its students, regardless of background, socio-economic status and ability, and to graduate them fully prepared to become intelligent, responsible, and active members of their community.

Explore Academy

- **Brief Discussion**

Located in Albuquerque, Explore Academy is a high school currently serving students in grades 9-11. Explore Academy opened in FY2015 with grades 9-10. Explore Academy's mission is to provide each student with a personalized educational experience through the power of student choice, allowing each student to create a unique educational pathway in preparation for a college future.

Gilbert L. Sena Charter High School

- **Brief Discussion**

The Gilbert L. Sena Charter High School's (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

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charge to students and allow them to attain both high school elective credit and college credit.

The GREAT Academy

- **Brief Discussion**

The GREAT Academy mission is to ensure that all students Gain Real-world Experience through Active Transition. The Academy exists, not only to improve education for students, but to provide students with the necessary skills for career success. The GREAT Academy promises to make sure that our seniors are prepared for the demands of post-secondary education and/or the career world, in turn, improving the community by improving its residents. The Academy is committed to providing students with an education that is relevant and meaningful to their journey of achieving success.

Health Leadership High School

- **Brief Discussion**

Health Leadership High School is dedicated to hands-on, project-based learning through the lens of the health profession. Curriculum is designed around industry-focused projects, group learning, and student support. Students engage in collaborative work in a supportive, small school environment that values the overall well-being of our young people. We provide the tools and experience students need to become successful leaders in the health care industry.

Health Sciences Academy

- **Brief Discussion**

The charter for Health Sciences Academy was revoked in June 2015. The school, which was located in Santa Teresa, opened in FY2015 with grades 7-10 and a night program to serve non-traditional adult students in any grade. The school's stated mission was to offer secondary students a rigorous comprehensive health science integrated curriculum, and to prepare graduates for post-secondary education and health science careers through real-world applications in health internships and a school culture of caring and academic excellence. The charter was revoked for financial malfeasance.

Horizon Academy West

- **Brief Discussion**

Horizon Academy West (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

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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

- **Brief Discussion**

The International School at Mesa Del Sol (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.

J Paul Taylor Academy

- **Brief Discussion**

J. Paul Taylor Academy, in alliance with families at the school and community, will offer a rigorous, well-rounded dual-language, project- based instructional program in a smaller school to promote academic excellence for the diverse students of the Las Cruces area.

La Academia Dolores Huerta

- **Brief Discussion**

La Academia Dolores Huerta is a dual language charter middle school (grades 6-8) serving 120 students from within the Las Cruces area. Our students learn in the languages of English and Spanish, where we alternate the instructional language by week. In addition to the core classes of Language Arts, Math, Science and Social Studies, we currently offer the following elective classes: a) PE; b) Ballet Folklorico; c) Mariachi; d) Conjunto; and e) Art. Our first school year was the 2004-2005 academic year. We completed our renewal charter during the 2008-2009 school year and we are approved by our authorizer, Las Cruces Public Schools (lcp.s.k12.nm.us).

La Jicarita Community School

- **Brief Discussion**

The mission of La Jicarita Community School (LJCS) is to provide a safe, open and creative environment for a culturally diverse kindergarten through 6th grade student population in the Peñasco area to learn through curriculum that is firmly based in state and national standards, and also fosters compelling life-relevant connections for children through learning expeditions. As an Expeditionary Learning school, our program focuses on service learning, place-based education and ecological education, with an

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added emphasis in second language learning and teaching through the arts. We honor a child's individuality and natural desire to learn, as well as their ability to think critically, reflect upon their world and promote positive change in their community.

La Promesa Early Learning Center

- **Brief Discussion**

La Promesa Early Learning Center Ensures that culturally and linguistically diverse students thrive in an academic, family centered, developmentally seamless continuum of learning where high expectations, respect and empowerment meet grade level proficiency.

La Resolana Leadership Academy

- **Brief Discussion**

The La Resolana Leadership Academy (LRLA) provides a rigorous and high quality academic program in a small and safe traditional middle school setting. Individual Learning Plans are developed for every student in order to ensure academic success in higher education. Students will learn to cultivate meaningful relationships, learn the importance of building a strong character and develop the skills for setting personal and educational goals for the future. Students will participate in community service and service learning projects which helps to develop responsibility in becoming productive and caring citizens.

La Tierra Montessori School of the Arts and Sciences

- **Brief Discussion**

La Tierra Montessori School of the Arts and Sciences will provide K-8 students in Española, NM and the surrounding communities with the opportunity to improve educational outcomes and reach their maximum potential through an integrated experiential curriculum designed to serve individual learners, the school community of learners, and the community as a whole. La Tierra Montessori School of the Arts and Sciences will utilize an integrated approach to education including Montessori, the Arts, and other proven educational models. Our goal is to foster competent, responsible, healthy and independent citizens who love learning and respect themselves, other people and their environment. Tierra Montessori School of the Arts and Sciences is an approved, free, public, charter school set to open in fall 2012 for K-6 grades.

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The MASTERS Program

- **Brief Discussion**

The mission of the Masters Program (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.

McCurdy Charter School

- **Brief Discussion**

The McCurdy Charter School (MCS) focuses on two inter-twined elements that we believe are essential to an education in Northern New Mexico; the perceived “value” of education and education is much more than just academics. The first element focuses on the need to surround students with an environment of staff, families and stakeholders who value education in their own lives and who recognize the long term impact it has in molding and shaping a student’s life. The second element mandates that education is a combination of academic excellence and achievement, character development and community engagement. Because the whole is always greater than just the sum of its parts, a well-rounded education is much more likely to ensure a well-rounded student.

Media Arts Collaborative Charter School

- **Brief Discussion**

The Media Arts Collaborative Charter School (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.

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Mission Achievement and Success

- **Brief Discussion**

The educational philosophy of Mission Achievement and Success (MAS) is that when provided solid, research based instructional practices, all students can learn. This includes students typically identified as being “at risk.” MAS is built on the founding belief that equal access to high quality education must be afforded to all students and that all students have the potential to succeed. At the core of high quality education is the delivery of standards based instruction through research based instructional practices that are provided in an effective learning environment; and where commitment to academic excellence is instilled in students as a basic belief, and life skills, that extend far beyond the classroom, are developed within each student.

The Montessori Elementary School

- **Brief Discussion**

The Montessori Elementary School (TMES) offers an accelerated program by providing a strong Montessori academic curriculum combined with a unique fine arts program including Suzuki Method, Orff Music, and Visual Arts. The mission of TMES is to encourage students grades K-8 to become responsible citizens who have the ability and desire to fulfill lifelong educational and social goals.

The New America School

- **Brief Discussion**

The New America School (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.

The New America School-Las Cruces

- **Brief Discussion**

The New America School is a system of publicly funded charter high schools. The mission of The New America School is to empower new immigrants and English Language Learners with the educational tools and support they need to maximize their potential, succeed and live the American dream. New America schools are located in diverse communities where the need is greatest. We have three campuses in the metro

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Denver area, a campus in Albuquerque, New Mexico and opened a new campus in August 2012 in Las Cruces, New Mexico.

New Mexico Connections Academy

- **Brief Discussion**

New Mexico Connections Academy's outstanding curriculum is custom-designed for superior results. With a customized learning program for each student's unique abilities, it creates the ideal opportunity for students to excel. Instruction tailored to the right level of each student means less stress, more success. With hundreds of courses, other curriculum is highly varied and flexible. Texts, learning materials, and online resources are woven into the courses. Lesson content and interactive learning activities engage students in individual study and collaboration with their classmates.

New Mexico International School

- **Brief Discussion**

New Mexico International School (NMIS) will provide K-5 students an educational program focused on inquiry-based teaching and learning, the acquisition of languages, and the development of social, emotional, and rigorous academic skills necessary to function in our local, national, and international community. Students at NMIS will learn respect for themselves; their community; and the larger diverse world in which they live while developing a moral consciousness that will help them build integrity into their lives.

New Mexico School for the Arts

- **Brief Discussion**

The New Mexico School for the Arts (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

- **Brief Discussion**

The North Valley Academy (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.

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Ralph J. Bunche Academy

- **Brief Discussion**

The charter for Ralph J. Bunche was revoked in FY 15 by the Public Education Commission. Ralph J. Bunche Academy was focused on developing a community of learners who explore, discover, and prepare to assume leadership roles through the use of Afrocentric, technology infused, interdisciplinary project-based, and standards guided learning experiences.

Red River Valley Charter School

- **Brief Discussion**

To provide a child-centered education that addresses the strengths, needs, interests, and cultures that equip our students with the knowledge and skills needed to meet challenges and succeed in a rapidly changing world. We are public charter school founded by a group of parents interested in establishing a multi-cultural learning environment that meets the academic needs of children.

Sage Montessori Charter

- **Brief Discussion**

In partnership with parents, Sage Montessori Charter School (SMCS) will provide K-8 students the broad educational opportunity afforded by a model Montessori program coupled with exciting and enriching artistic experiences in art and music, enabling each student to develop values and abilities essential to successfully meet their educational goals and lifelong fulfillment as productive citizens and members of a global community.

School of Dreams Academy

- **Brief Discussion**

The School of Dreams Academy (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.

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South Valley Preparatory School

- **Brief Discussion**

South Valley Preparatory School (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.

Southwest Aeronautics, Mathematics, and Science Academy

- **Brief Discussion**

The mission of the Southwest Aeronautics, Mathematics, and Science Academy is to prepare students in grades 7 – 12, through an Integrative STEM educational model with an Aeronautics focus, to become self-motivated, independent, competent, lifelong learners in a unique 21st century global educational environment. Students will be equipped with the reading, writing, mathematical, scientific, technological and problem solving skills necessary for success in post-secondary education and high-tech, aviation related careers.

Southwest Intermediate Learning Center

- **Brief Discussion**

The Southwest Intermediate Learning Center is to prepare students to become self-motivated, self-controlled, independent, competent, life-long learners and productive members of society. Southwest Intermediate Learning Center students will be equipped with the reading, writing, mathematical, technological and problem-solving skills necessary for success in secondary, post-secondary and personal career choices.

Southwest Primary Learning Center

- **Brief Discussion**

The Southwest Primary Learning Center is to prepare students in grades 4-6 for the future by meeting their academic needs through an emphasis on the four core content areas identified by the New Mexico Public Education Department (language arts, mathematics, science, and social studies). Students are also prepare in meeting their emotional and social needs by integrating the remaining five content areas (the arts, modern, classical and native languages, health education, physical education and career education) into the daily school program.

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Southwest Secondary Learning Center

- **Brief Discussion**

The Southwest Secondary Learning Center is to prepare students in grades 7-12 to become self-motivated, independent, competent, life-long learners. Students will be equipped with the reading, writing, mathematical, technological and problem solving skills necessary for success in postsecondary education and personal career choices. Through a long-term commitment to this mission, we will be known as a school that can offer quality alternative learning opportunities for all students. Students, parents and community will see the school as offering challenging and creative learning environments for students.

Taos Academy

- **Brief Discussion**

The Taos Academy (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

- **Brief Discussion**

The Taos Integrated School of the Arts (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.

Taos International Charter School

- **Brief Discussion**

Taos International School was approved as part of the 2012 New Application cycle, but did not commence operations until fall of 2014. The school began operations with grades Kindergarten, 1, and 6. The school now serves students in grades Kindergarten, 1, 2, 6, and 7 and will continue to add grades until it serves students K-8. The school has

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approximately 100 students. The school's mission is to provide K-8 students an educational program focused on inquiry-based teaching and learning, through the International Baccalaureate (IB) Primary and Middle Years Programs; the acquisition of languages including Spanish immersion and Mandarin Chinese; and the development of social, emotional, and rigorous academic skills necessary to function in our local, national, and international community.

The Learning Community Charter School

- **Brief Discussion**

The Learning Community Charter School facilitates a student-centered, individualized education that develops responsible, independent, adaptable, life-long learners who acquire effective thinking and communication skills.

Tierra Adentro

- **Brief Discussion**

The mission of Tierra Adentro: The New Mexico School of Academics, Art and Artesania (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, artesania (artisanship) and the study of the cultures that comprise our rich New Mexican heritage to ensure awareness, preservation, and progression of our cultural legacy.

Uplift Academy

- **Brief Discussion**

The Uplift Community School, in alliance with families and the community of Uplift Community School Family Handbook 2012-2013 Gallup-McKinley County, will provide a rigorous; state-standards based education to grades K-8th using an Expeditionary Learning Model (www.elschools.org) to achieve academic success for all students. The Uplift Community School will meet high expectations for achievement by producing meaningful, high quality work that engages cultural diversity, and integrates inquiry and learning in literature, science, social studies and the arts, while building skills in math, reading and writing. The Uplift Community School will develop leadership and teamwork through a process of planning, reflection and revision and a school culture that values individual initiative and voice.

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Walatowa High Charter School

- **Brief Discussion**

Walatowa High Charter School (WH)- Through a community-integrated experiential learning program, Walatowa High Charter School will prepare students to be academically successful , while promoting Cultural awareness, community wellness, Leadership, College and Career readiness. The principal focus of Walatowa High's academic program is early college preparation, including dual credit coursework. The pre-college focused curriculum also emphasizes the value of the community's (Jemez, Zia and Jemez Valley Corridor) culture, and traditions. From the outset, the school founders, administrators, faculty and governance council have recognized that young people who understand their identity and appreciate their unique heritage are the best equipped to become effective students and citizens. Students are challenged with advanced courses in core subject areas and enter the dual credit program by their junior year of high school. WHCS maintains strong partnerships with post-secondary institutions to ensure the implementation of our college and career preparation program. Partnership such as University of New Mexico, Southwestern Indian Polytechnic Institute, Institute of American Indian Arts, Central New Mexico College, Eastern New Mexico University, New Mexico State University, UNM-Los Alamos, and Arizona University. In addition, through the Gear UP NM program, Exemplary Program and Federal Programs, Walatowa has been able to bring parents and students together in preparation for post-secondary enrollment.

William W. & Josephine Dorn Charter Community School

- **Brief Discussion**

William W. & Josephine Dorn Charter Community School (WWJDC) is a new k- 5 public community charter school. We believe that residents of the community should have direct input on how their children are being educated. WWJDC's academic program and school design propels student learning and achievement. Here at WWJDC we believe that all children should be able to read by the third grade, and know their multiplication tables by the fifth. We believe that developing a lifelong passion for learning is essential in having children succeed. WWJDC has adopted a unique educational model to teach students with more hands on activities than standard schools.

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Year Ended June 30, 2015**

Financial Analysis of the Component Units as a Whole

Net Position

The Component Units' net position as June 30, 2015 was \$(62.9) million. Table A-4 summarizes the Component Units' net position for the fiscal years ended June 30, 2015 and 2014.

**Table A-4
The Component Units' Net Position**

	<u>June 30, 2015</u> Component Units	<u>June 30, 2014</u> Component Units
Assets:		
Current assets	\$ 42,030,665	30,141,849
Other assets	803,608	271,393
Capital assets, net	45,691,985	44,394,633
Total Assets	<u>88,526,257</u>	<u>74,807,875</u>
Deferred Outflows - Pension Related	19,515,540	-
Current Liabilities		
Accounts payable	1,635,399	1,400,398
Accrued payroll	5,613,609	4,246,075
Unearned revenue	243,647	771,248
Other current liabilities	1,553,615	3,190,441
Compensated absences	298,219	246,474
Total Current liabilities	<u>9,344,489</u>	<u>9,854,636</u>
Non-Current Liabilities		
Net pension liability	109,021,707	-
Other non-current liabilities	39,886,609	31,394,354
Deferred Inflows - Pension Related	12,717,280	-
Net Position:		
Net investment in capital assets	10,553,908	11,373,149
Restricted	12,307,934	8,042,093
Unrestricted	(85,790,130)	14,143,643
Total net position	<u>(62,928,228)</u>	<u>33,558,885</u>
Total net position and liabilities	\$ <u>88,526,257</u>	<u>74,807,875</u>

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**Table A-5
The Component Units' Change in Net Position**

	<u>June 30, 2015</u> Component Units	<u>June 30, 2014</u> Component Units
Revenues:		
Program Revenues		
Charges for services	\$ 1,440,385	1,160,299
Operating Grants & contributions	15,674,846	13,618,863
Capital grants & contributions	11,015,253	12,709,454
General revenues and transfers:		
State equalization guarantee	108,167,112	95,042,427
State appropriations	-	142,386
Miscellaneous	6,906,242	3,845,730
Gain (loss) on disposal of capital assets	-	(109,594)
Total Revenues	<u>143,203,838</u>	<u>126,409,565</u>
Expenses:		
Instruction	69,106,333	58,773,481
Support Services	53,590,134	47,160,192
Operation of Non-Instructional Services	18,055,672	13,920,202
Interest on Long-Term Debt	43,896	553,951
	<u>140,796,035</u>	<u>120,407,826</u>
Changes in Net Position	2,407,803	6,001,739
Beginning Net Position	33,799,109	28,091,814
(Restatement)/Transfer in Component Units	(99,135,200)	(534,668)
Ending Net Position	<u>\$ (62,928,288)</u>	<u>33,558,885</u>

Changes in Capital Assets

During fiscal year 2015, Component Unit net capital assets increased by \$1,297,352 primarily due to acquisition of buildings and land as well as capitalization of land and building improvements.

	<u>June 30, 2015</u> Component unit	<u>June 30, 2014</u> Component Units
Capital Assets	\$ 55,450,643	52,615,799
Accumulated depreciation	<u>(9,758,658)</u>	<u>(8,221,166)</u>
Total capital assets, net	<u>\$ 45,691,985</u>	<u>44,394,633</u>

Capital Assets for the Component Units are presented in the Combining Statements of Net Position within the basic financial statements.

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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.
- Capital projects funds – Capital Projects Funds account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays including the acquisition or construction of capital facilities or other capital assets.

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 financial report is designed to provide citizens, taxpayers, customers, legislators, and investors and creditors with a general overview of the Department's finances and to demonstrate the Department's accountability for the funds it received. If you have questions about this report or need additional financial information contact:

New Mexico Public Education Department
Administrative Services Division
Education Building, 300 Don Gaspar, Room 226
Santa Fe, New Mexico 87501-2786.

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BASIC FINANCIAL STATEMENTS

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PUBLIC EDUCATION DEPARTMENT
STATEMENT OF NET POSITION
June 30, 2015

	<u>Governmental Activities</u>	<u>Component Units</u>
ASSETS AND DEFERRED OUTFLOWS		
CURRENT ASSETS:		
Cash and Cash Equivalents	\$ -	35,362,408
Investment in State General Fund Investment Pool	131,981,130	-
Due from Federal Government	78,498,746	-
Due from State General Fund	2,280,780	-
Due from Other State Agencies	57,727,716	6,394,666
Due from External Miscellaneous Parties	1,377,768	69,315
Due from Agency Fund	5,118,458	70
Prepaid Expenditures	-	204,205
Other Assets	71,215	803,608
Total Current Assets	<u>277,055,813</u>	<u>42,834,272</u>
NON-CURRENT ASSETS:		
Capital Assets	2,563,981	55,450,643
Accumulated Depreciation	(2,058,745)	(9,758,658)
	<u>505,236</u>	<u>45,691,985</u>
Total Non-Current Assets	<u>505,236</u>	<u>45,691,985</u>
Total Assets	<u>277,561,049</u>	<u>88,526,257</u>
DEFERRED OUTFLOWS - Pension Related	<u>-</u>	<u>19,515,540</u>

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STATEMENT OF NET POSITION (CONTINUED)
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	<u>Governmental Activities</u>	<u>Component Units</u>
LIABILITIES AND DEFERRED INFLOWS		
CURRENT LIABILITIES:		
Accounts Payable	\$ 121,942,608	1,635,399
Accrued Payroll and Taxes	935,669	5,613,609
Interest in State General Fund		
Investment Pool-Overdraft	5,547,369	-
Cash Overdraft	-	10,547
Due to State General Fund	20,714,814	-
Due to Other State Agencies	3,714,845	41,948
Due to Federal Government	6,795,962	-
Due to Local Education Authorities	295,485	-
Unearned Revenue	2,950,178	243,476
Accrued Interest	-	352,945
Compensated Absences - Due Within One Year	1,354,392	298,219
Current Portion of Long - Term Debt	-	1,148,346
Other Current Liabilities	6,532,567	-
Total Current Liabilities	<u>170,783,889</u>	<u>9,344,489</u>
NON-CURRENT LIABILITIES:		
Long-Term Debt	-	39,886,609
Contingency Payable - Maintenance of State		
Financial Support	52,118,548	-
Net Pension Liability	-	109,021,707
Total Non-Current Liabilities	<u>52,118,548</u>	<u>148,908,316</u>
Total Liabilities	<u>222,902,437</u>	<u>158,252,805</u>
DEFERRED INFLOWS - Pension Related	-	12,717,280
NET POSITION		
Net Investment in Capital Assets	505,236	10,553,908
Restricted	45,242,569	12,307,934
Unrestricted	8,910,807	(85,790,130)
Total Net Position	<u>\$ 54,658,612</u>	<u>(62,928,288)</u>

See Notes to Financial Statements

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STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2015

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Component Units
PRIMARY GOVERNMENT						
GOVERNMENTAL ACTIVITIES:						
Education	\$ 3,134,326,599	5,615,815	380,021,821	-	(2,748,688,963)	-
Health and Welfare	35,801,792	34,450	29,494,705	-	(6,272,637)	-
Total Primary Government	\$ 3,170,128,391	5,650,265	409,516,526	-	(2,754,961,600)	-
COMPONENT UNITS						
Instruction	\$ 69,106,333	989,259	11,440,557	-	-	(56,676,517)
Support Services	53,590,134	48,686	1,984,794	57,784	-	(51,498,870)
Operation of Non- Instructional Services	18,055,672	402,440	2,249,495	10,957,469	-	(4,446,268)
Interest on Long-Term Debt	43,896	-	-	-	-	(43,896)
Total Component Units	\$ 140,796,035	1,440,385	15,674,846	11,015,253	-	(112,665,551)
GENERAL REVENUES AND TRANSFERS:						
State general fund - general appropriations					\$ 2,637,357,558	-
State general fund - special appropriations					95,485,000	-
State equalization guarantee					-	108,167,112
Bond proceeds appropriations					46,339,111	-
Transfers in - other					724,818	-
Transfer in - agency fund					2,000,000	-
Transfers out - other					(9,240,155)	-
Transfers out - State General fund reversions - FY15					(18,535,494)	-
Property taxes					-	3,909,753
Miscellaneous					-	2,996,489
TOTAL GENERAL REVENUES AND TRANSFERS					2,754,130,838	115,073,354
CHANGE IN NET POSTION					(830,762)	2,407,803
NET POSITION, BEGINNING					55,489,374	33,799,109
RESTATEMENT (NOTE 21)					-	(99,135,200)
NET POSITION, BEGINNING AS RESTATED					55,489,374	(65,336,091)
NET POSTION, ENDING					\$ 54,658,612	(62,928,288)

See Notes to Financial Statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
BALANCE SHEETS - GOVERNMENTAL FUNDS
June 30, 2015

	PED General Fund 05700	DVR General Fund 50000	Disability Determination Services 50100
ASSETS			
Interest in State General Fund			
Investment Pool	\$ 2,045,509	7,868,727	-
Due from Federal Government	-	1,398,862	673,495
Due from State General Fund	-	-	-
Due from Other State Agencies	7,653	14,864	-
Due from External Miscellaneous Parties	1,341,303	-	-
Due from Agency Fund	-	-	-
Due from Other Funds	-	-	-
Other Assets	-	9,345	-
Total Assets	\$ 3,394,465	9,291,798	673,495
LIABILITIES AND FUND BALANCES (DEFICIT):			
Accounts Payable	\$ 1,135,541	1,277,905	237,799
Accrued Payroll and Taxes	319,335	291,344	135,081
Interest in State General Fund			
Investment Pool-Overdraft	-	-	404,750
Due to State General Fund	40,380	-	-
Due to Other State Agencies	105,620	1,809	-
Due to Federal Government	5,101	3,634,969	41
Due to Local Education Authorities	400	-	-
Unearned Revenue	-	2,502,435	246
Due to Other Funds	-	-	-
Contingency Payable - Maintenance of State Financial Support	-	-	-
Other Liabilities	1,090,986	-	-
Total Liabilities	2,697,363	7,708,462	777,917
FUND BALANCES (DEFICIT)			
Restricted	-	1,583,336	-
Committed	697,102	-	-
Unassigned (deficit)	-	-	(104,422)
Total Fund Balances (Deficit)	697,102	1,583,336	(104,422)
TOTAL LIABILITIES AND FUND BALANCES (DEFICIT)	\$ 3,394,465	9,291,798	673,495

See Notes to Financial Statements

Federal Department of Education Flowthrough 67300	Special Projects 79000	Public School Support Flowthrough 85800	STB Capital Outlay 89200	Other Non- Major Governmental Funds	Total Governmental Funds
-	59,597,298	13,475,840	1,648,150	47,345,606	131,981,130
60,456,201	-	-	-	15,970,188	78,498,746
-	2,280,780	-	-	-	2,280,780
-	36,000,000	-	21,652,926	52,273	57,727,716
-	-	-	-	36,465	1,377,768
-	5,118,458	-	-	-	5,118,458
-	-	-	-	190,792	190,792
5,506	1,516	-	-	54,848	71,215
<u>60,461,707</u>	<u>102,998,052</u>	<u>13,475,840</u>	<u>23,301,076</u>	<u>63,650,172</u>	<u>277,246,605</u>
51,060,008	22,937,765	-	22,812,931	22,480,659	121,942,608
-	13,382	-	-	176,527	935,669
2,272,296	-	-	-	2,870,323	5,547,369
-	6,343,811	14,259,323	-	71,300	20,714,814
-	-	-	-	3,607,416	3,714,845
1,810,355	-	9,388	-	1,336,108	6,795,962
4,983	206,740	-	-	83,362	295,485
-	-	-	-	447,497	2,950,178
-	-	-	-	190,792	190,792
-	52,118,548	-	-	-	52,118,548
60,763	-	74,140	-	5,306,678	6,532,567
<u>55,208,405</u>	<u>81,620,246</u>	<u>14,342,851</u>	<u>22,812,931</u>	<u>36,570,662</u>	<u>221,738,837</u>
5,253,302	21,377,806	-	488,145	16,539,980	45,242,569
-	-	-	-	11,439,298	12,136,400
-	-	(867,011)	-	(899,768)	(1,871,201)
<u>5,253,302</u>	<u>21,377,806</u>	<u>(867,011)</u>	<u>488,145</u>	<u>27,079,510</u>	<u>55,507,768</u>
<u>60,461,707</u>	<u>102,998,052</u>	<u>13,475,840</u>	<u>23,301,076</u>	<u>63,650,172</u>	<u>277,246,605</u>

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STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 RECONCILIATION OF THE BALANCE SHEETS - GOVERNMENTAL FUNDS
 TO THE STATEMENT OF NET POSITION
 June 30, 2015

	<u>Primary Government</u> <u>Governmental</u> <u>Activities</u>
Total Fund Balance - Governmental Funds (Governmental Fund Balance Sheet)	\$ 55,507,768
<p>Amounts reported for governmental activities in the Statement of Net Position are different because:</p>	
<p>Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.</p>	
Capital Assets	2,563,981
Accumulated Depreciation	<u>(2,058,745)</u>
Total Capital Assets	505,236
<p>Some liabilities are not due and payable in the current period and, therefore, are not reported in the fund:</p>	
Compensated absences - due within one year	<u>(1,354,392)</u>
Net Position of Governmental Activities (Statement of Net Position)	<u>\$ 54,658,612</u>

See Notes to Financial Statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES (DEFICIT)
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2015

	PED General Fund 05700	DVR General Fund 50000	Disability Determination Services 50100
REVENUES:			
Federal Grants	\$ -	18,576,007	10,708,319
Other Revenue	2,213,036	34,446	4
Total Revenues	<u>2,213,036</u>	<u>18,610,453</u>	<u>10,708,323</u>
EXPENDITURES:			
Current:			
Education	13,923,623	-	-
Health and Welfare	-	23,484,491	10,708,320
Capital Outlay	261,690	92,743	-
Total Expenditures	<u>14,185,313</u>	<u>23,577,234</u>	<u>10,708,320</u>
(DEFICIENCY) EXCESS OF REVENUES (UNDER) OVER EXPENDITURES	<u>(11,972,277)</u>	<u>(4,966,781)</u>	<u>3</u>
OTHER FINANCING SOURCES (USES):			
State General Fund Appropriations	11,787,300	4,467,100	-
Appropriations Funded with State Severance Bond Proceeds	-	-	-
Transfers in:			
Interfund	-	-	-
Other	208,718	514,800	-
Transfers out:			
Reversions - FY15	(23,043)	-	-
Interfund	-	(575,973)	-
Other	-	-	-
Total Other Financing Sources (Uses):	<u>11,972,975</u>	<u>4,405,927</u>	<u>-</u>
NET CHANGES IN FUND BALANCES	<u>698</u>	<u>(560,854)</u>	<u>3</u>
FUND BALANCES (DEFICIT) - BEGINNING OF YEAR	<u>696,404</u>	<u>2,144,190</u>	<u>(104,425)</u>
FUND BALANCES (DEFICIT) - END OF YEAR	<u>\$ 697,102</u>	<u>1,583,336</u>	<u>(104,422)</u>

See Notes to Financial Statements

Federal Department of Education Flowthrough 67300	Special Projects 79000	Public School Support Flowthrough 85800	STB Capital Outlay 89200	Other Non-Major Governmental Funds	Total Governmental Funds
200,466,505	-	-	-	179,765,695	409,516,526
384,194	17,376	76,272	-	2,924,937	5,650,265
<u>200,850,699</u>	<u>17,376</u>	<u>76,272</u>	<u>-</u>	<u>182,690,632</u>	<u>415,166,791</u>
201,163,765	55,087,084	2,570,924,932	45,856,813	247,253,950	3,134,210,167
-	-	-	-	1,493,282	35,686,093
-	-	-	-	-	354,433
<u>201,163,765</u>	<u>55,087,084</u>	<u>2,570,924,932</u>	<u>45,856,813</u>	<u>248,747,232</u>	<u>3,170,250,693</u>
<u>(313,066)</u>	<u>(55,069,708)</u>	<u>(2,570,848,660)</u>	<u>(45,856,813)</u>	<u>(66,056,600)</u>	<u>(2,755,083,902)</u>
-	67,267,800	2,585,184,254	-	64,136,104	2,732,842,558
-	-	-	45,856,813	482,298	46,339,111
-	2,000,000	-	-	2,075,973	4,075,973
-	-	-	-	1,300	724,818
-	(3,953,928)	(14,259,323)	-	(299,200)	(18,535,494)
-	-	-	-	(1,500,000)	(2,075,973)
-	-	-	-	(9,240,155)	(9,240,155)
<u>-</u>	<u>65,313,872</u>	<u>2,570,924,931</u>	<u>45,856,813</u>	<u>55,656,320</u>	<u>2,754,130,838</u>
<u>(313,066)</u>	<u>10,244,164</u>	<u>76,271</u>	<u>-</u>	<u>(10,400,280)</u>	<u>(953,064)</u>
<u>5,566,368</u>	<u>11,133,642</u>	<u>(943,282)</u>	<u>488,145</u>	<u>37,479,790</u>	<u>56,460,832</u>
<u>5,253,302</u>	<u>21,377,806</u>	<u>(867,011)</u>	<u>488,145</u>	<u>27,079,510</u>	<u>55,507,768</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES (DEFICIT)
OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2015

	<u>Primary Government</u> <u>Governmental</u> <u>Activities</u>
Net Change in Fund Balances - Total Governmental Funds (Statement of Revenues, Expenditures, and Changes in Fund Balances/Deficit)	\$ (953,064)

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 change in the liabilities for the year was:

Change in compensated absences payable	(112,360)
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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.

Capital Outlay	354,433
Depreciation expense	<u>(119,771)</u>
Excess of capital outlay over depreciation expense	<u>234,662</u>

Change in Net Position of Governmental Activities (Statement of Activities)	<u><u>\$ (830,762)</u></u>
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See Notes to Financial Statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit)
Budget and Actual - Modified Accrual Basis
General and Major Special Revenue Funds
PED General Fund 05700
For the Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
State General Fund Appropriations	\$ 11,787,300	11,787,300	11,787,300	-
Other Revenue	1,936,000	2,238,263	2,213,036	(25,227)
Other Financing Sources	181,900	181,900	208,718	26,818
Reversions	-	-	(23,043)	(23,043)
Total Revenues	<u>13,905,200</u>	<u>14,207,463</u>	<u>14,186,011</u>	<u>(21,452)</u>
Expenditures:				
Education:				
Personal Services & Employee				
Benefits	11,443,400	11,443,400	11,442,501	899
Contractual Services	1,277,200	1,277,200	1,276,677	523
Other	1,184,600	1,486,863	1,466,135	20,728
Total Expenditures	<u>13,905,200</u>	<u>14,207,463</u>	<u>14,185,313</u>	<u>22,150</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>-</u>	<u>698</u>	<u>698</u>

See Notes to Financial Statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit)
Budget and Actual - Modified Accrual Basis
General and Major Special Revenue Funds
DVR General Fund 50000
For the Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
Federal Grants	\$ 23,383,700	23,383,700	18,576,007	(4,807,693)
State General Fund Appropriations	4,479,400	4,467,100	4,467,100	-
Other Revenue	200,000	200,000	34,446	(165,554)
Other Financing Sources	466,000	514,800	514,800	-
Total Revenues	<u>28,529,100</u>	<u>28,565,600</u>	<u>23,592,353</u>	<u>(4,973,247)</u>
Expenditures:				
Health and welfare:				
Personal Services & Employee				
Benefits	12,506,100	12,547,600	11,201,312	1,346,288
Contractual Services	777,000	776,500	500,792	275,708
Other	15,246,000	15,241,500	12,451,103	2,790,397
Total Expenditures	<u>28,529,100</u>	<u>28,565,600</u>	<u>24,153,207</u>	<u>4,412,393</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>-</u>	<u>(560,854)</u>	<u>(560,854)</u>

See Notes to Financial Statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit)
Budget and Actual - Modified Accrual Basis
General and Major Special Revenue Funds
Disability Determination Services 50100
For the Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
Federal Grants	\$ 16,945,100	16,945,100	10,708,319	(6,236,781)
Other Revenue	-	-	4	4
Total Revenues	<u>16,945,100</u>	<u>16,945,100</u>	<u>10,708,323</u>	<u>(6,236,777)</u>
Expenditures:				
Health and welfare:				
Personal Services & Employee				
Benefits	6,337,800	6,337,800	5,150,689	1,187,111
Contractual Services	402,400	402,400	344,346	58,054
Other	<u>10,204,900</u>	<u>10,204,900</u>	<u>5,213,285</u>	<u>4,991,615</u>
Total Expenditures	<u>16,945,100</u>	<u>16,945,100</u>	<u>10,708,320</u>	<u>6,236,780</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>-</u>	<u>3</u>	<u>3</u>

See Notes to Financial Statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit)
Budget and Actual - Modified Accrual Basis
General and Major Special Revenue Funds
Federal Department of Education Flowthrough 67300
For the Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
Federal Funds	\$ 379,216,768	377,716,768	200,466,505	(177,250,263)
Other Revenue	-	-	384,194	384,194
Total Revenues	<u>379,216,768</u>	<u>377,716,768</u>	<u>200,850,699</u>	<u>(176,866,069)</u>
Expenditures:				
Education:				
Contractual Services	15,372,796	15,372,796	9,190,160	6,182,636
Other	363,843,972	362,343,972	191,973,605	170,370,367
Total Expenditures	<u>379,216,768</u>	<u>377,716,768</u>	<u>201,163,765</u>	<u>176,553,003</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>-</u>	<u>(313,066)</u>	<u>(313,066)</u>

See Notes to Financial Statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit)
Budget and Actual - Modified Accrual Basis
General and Major Special Revenue Funds
Special Projects 79000
For the Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
State General Fund Appropriations	\$ 69,526,752	69,526,752	67,267,800	(2,258,952)
Other Revenue	-	-	17,376	17,376
Other Financing Sources	-	-	2,000,000	2,000,000
Reversions	-	-	(3,953,928)	(3,953,928)
Total Revenues	<u>69,526,752</u>	<u>69,526,752</u>	<u>65,331,248</u>	<u>(4,195,504)</u>
Expenditures:				
Education:				
Personal Services & Employee				
Benefits	710,524	478,524	466,779	11,745
Contractual Services	28,519,094	31,387,779	26,074,746	5,313,033
Other	40,297,134	37,660,449	28,545,559	9,114,890
Total Expenditures	<u>69,526,752</u>	<u>69,526,752</u>	<u>55,087,084</u>	<u>14,439,668</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>-</u>	<u>10,244,164</u>	<u>10,244,164</u>

See Notes to Financial Statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit)
Budget and Actual - Modified Accrual Basis
General and Major Special Revenue Funds
Public School Support Flowthrough 85800
For the Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
State General Fund Appropriations	\$ 2,585,184,254	2,585,184,254	2,585,184,254	-
Other Revenue	-	-	76,272	76,272
Other Financing Sources	1,500,000	1,500,000	-	(1,500,000)
Reversions	-	-	(14,259,323)	(14,259,323)
Total Revenues	<u>2,586,684,254</u>	<u>2,586,684,254</u>	<u>2,571,001,203</u>	<u>(15,683,051)</u>
Expenditures:				
Education:				
Other	<u>2,586,684,254</u>	<u>2,586,684,254</u>	<u>2,570,924,932</u>	<u>15,759,322</u>
Total Expenditures	<u>2,586,684,254</u>	<u>2,586,684,254</u>	<u>2,570,924,932</u>	<u>15,759,322</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>-</u>	<u>76,271</u>	<u>76,271</u>

See Notes to Financial Statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
STATEMENT OF ASSETS AND LIABILITIES - AGENCY FUND
June 30, 2015

	Agency Fund
	57300
ASSETS	
Interest in State General Fund Investment Pool	\$ 7,379,919
Due from Other State Agencies	<u>126,194</u>
Total Assets	<u><u>\$ 7,506,113</u></u>
LIABILITIES	
Due to Other Funds	\$ 5,118,458
Due to External Parties	<u>2,387,655</u>
Total Liabilities	<u><u>\$ 7,506,113</u></u>

See Notes to Financial Statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 STATEMENT OF FIDUCIARY NET POSITION
 June 30, 2015

	Private Purpose Trusts 61600 & 99300
ASSETS	
Interest in State General Fund Investment Pool	\$ 45,046
Certificate of Deposit	<u>20,000</u>
Total Assets	<u>65,046</u>
LIABILITIES	
Due to External Parties	<u>-</u>
Total Liabilities	<u>-</u>
NET POSITION	
Reserved for Scholarships	<u><u>\$ 65,046</u></u>

See Notes to Financial Statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
 For the Year Ended June 30, 2015

	Private Purpose Trusts <u>61600 & 99300</u>
ADDITIONS	
Investment Earnings - Interest	\$ 173
DEDUCTIONS	
Scholarship Expense	<u>-</u>
CHANGE IN NET POSITION	173
NET POSITION, BEGINNING	<u>64,873</u>
NET POSITION, ENDING	<u><u>\$ 65,046</u></u>

See Notes to Financial Statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
COMBINING STATEMENT OF NET POSITION - Discretely Presented Component Units
June 30, 2015

	Academy of Trade and Technology	ACE Leadership High School	AIMS at UNM
ASSETS AND DEFERRED OUTFLOWS			
CURRENT ASSETS:			
Cash and Cash Equivalents	\$ 318,187	990,985	2,448,901
Receivables			
Due From Other Governments	43,950	111,813	74,340
Other Receivables	-	-	-
Deposits	1,500	-	-
Prepaid Expenditures	-	-	5,025
Due from Agency Fund	-	-	-
Other	-	-	-
TOTAL CURRENT ASSETS	363,637	1,102,798	2,528,266
NON-CURRENT ASSETS:			
Capital Assets			
Land and Land Improvements	-	1,196,050	-
Construction-in-Process	-	-	-
Building and Improvements	1,877,170	2,726,142	-
Leasehold Improvements	-	-	-
Vehicles	67,361	-	-
Furniture, Fixtures, and Equipment	353,720	45,804	77,553
Less: Accumulated Depreciation	(641,537)	(54,245)	(29,269)
TOTAL NONCURRENT ASSETS	1,656,714	3,913,751	48,284
TOTAL ASSETS	2,020,351	5,016,549	2,576,550
DEFERRED OUTFLOWS - Pension Related	112,179	457,979	272,656
LIABILITIES AND DEFERRED INFLOWS			
CURRENT LIABILITIES:			
Accounts Payable	113,846	53,084	26,079
Cash Overdraft	-	-	-
Accrued Liabilities	32,012	82,071	186,313
Accrued Interest	-	1,000	-
Unearned Revenue	-	-	175,000
Compensated Absences	16,744	-	-
Due to Other Governments	-	-	-
Current Portion of Long-Term Debt	70,815	233,040	-
TOTAL CURRENT LIABILITIES	233,417	369,195	387,392
NON CURRENT LIABILITIES			
Long Term Debt	805,954	4,032,015	-
Net Pension Liability	1,465,223	3,381,207	2,747,871
TOTAL NONCURRENT LIABILITIES	2,271,177	7,413,222	2,747,871
TOTAL LIABILITIES	2,504,594	7,782,417	3,135,263
DEFERRED INFLOWS - Pension Related	364,200	357,710	290,723
NET POSITION			
Net Investment in Capital Assets	779,945	(352,304)	48,284
Restricted	110,082	772,604	892,777
Unrestricted (Deficit)	(1,626,291)	(3,085,899)	(1,517,841)
TOTAL NET POSITION (DEFICIT)	\$ (736,264)	(2,665,599)	(576,780)

See Independent Auditors Report and Notes to Financial Statements

<u>Albuquerque School of Excellence</u>	<u>Albuquerque Sign Language Academy</u>	<u>Aldo Leopold High School</u>	<u>Alma d'arte Charter High School</u>	<u>Amy Biehl Charter School</u>	<u>Anthony Charter School</u>
463,067	569,353	602,969	120,753	1,196,208	341,935
72,458	241,993	89,624	13,332	26,701	7,436
435	621	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	51,907	-	-	2,313	-
<u>535,960</u>	<u>863,874</u>	<u>692,593</u>	<u>134,085</u>	<u>1,225,222</u>	<u>349,371</u>
-	-	-	-	33,950	-
-	-	-	-	-	-
-	-	43,341	-	4,019,328	724,827
-	-	-	-	-	-
-	-	98,390	-	-	-
61,562	15,755	5,836	156,496	189,513	19,873
<u>(33,799)</u>	<u>(13,400)</u>	<u>(67,502)</u>	<u>(145,570)</u>	<u>(1,200,899)</u>	<u>(56,114)</u>
<u>27,763</u>	<u>2,355</u>	<u>80,065</u>	<u>10,926</u>	<u>3,041,892</u>	<u>688,586</u>
<u>563,723</u>	<u>866,229</u>	<u>772,658</u>	<u>145,011</u>	<u>4,267,114</u>	<u>1,037,957</u>
267,554	314,693	479,434	216,383	270,306	51,476
9,601	3,970	9,144	17,092	5,944	16,737
-	-	-	-	-	-
165,758	103,194	106,966	47,869	1,091	46,653
-	-	-	-	-	-
-	-	-	-	-	-
-	-	21,848	-	-	-
-	17,682	-	-	-	-
-	-	-	-	-	-
<u>175,359</u>	<u>124,846</u>	<u>137,958</u>	<u>64,961</u>	<u>7,035</u>	<u>63,390</u>
-	-	-	-	-	-
<u>2,037,507</u>	<u>1,910,270</u>	<u>1,885,164</u>	<u>2,330,211</u>	<u>3,791,949</u>	<u>821,048</u>
<u>2,037,507</u>	<u>1,910,270</u>	<u>1,885,164</u>	<u>2,330,211</u>	<u>3,791,949</u>	<u>821,048</u>
<u>2,212,866</u>	<u>2,035,116</u>	<u>2,023,122</u>	<u>2,395,172</u>	<u>3,798,984</u>	<u>884,438</u>
215,545	202,136	199,451	246,562	414,672	202,448
27,763	2,355	80,065	10,926	3,041,892	688,586
207,878	365,676	115,390	12,242	513,420	61,352
<u>(1,832,775)</u>	<u>(1,424,361)</u>	<u>(1,165,936)</u>	<u>(2,303,508)</u>	<u>(3,231,548)</u>	<u>(747,391)</u>
<u>(1,597,134)</u>	<u>(1,056,330)</u>	<u>(970,481)</u>	<u>(2,280,340)</u>	<u>323,764</u>	<u>2,547</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
COMBINING STATEMENT OF NET POSITION - Discretely Presented Component Units (Continued)
June 30, 2015

	<u>ASK Academy</u>	<u>Cesar Chavez Community School</u>	<u>Cien Aguas International School</u>
ASSETS AND DEFERRED OUTFLOWS			
CURRENT ASSETS:			
Cash and Cash Equivalents	\$ 5,513,831	667,579	942,303
Receivables			
Due From Other Governments	96,982	34,542	45,213
Other Receivables	-	-	-
Deposits	-	13,000	-
Prepaid Expenditures	-	31,811	55,338
Due from Agency Fund	-	-	-
Other	-	-	-
TOTAL CURRENT ASSETS	<u>5,610,813</u>	<u>746,932</u>	<u>1,042,854</u>
NON-CURRENT ASSETS:			
Capital Assets			
Land and Land Improvements	647,989	-	-
Construction-in-Process	500,000	-	-
Building and Improvements	-	23,270	16,162
Leasehold Improvements	-	-	-
Vehicles	-	-	-
Furniture, Fixtures, and Equipment	15,812	107,402	175,127
Less: Accumulated Depreciation	<u>(6,252)</u>	<u>(111,801)</u>	<u>(71,398)</u>
TOTAL NONCURRENT ASSETS	<u>1,157,549</u>	<u>18,871</u>	<u>119,891</u>
TOTAL ASSETS	<u>6,768,362</u>	<u>765,803</u>	<u>1,162,745</u>
DEFERRED OUTFLOWS - Pension Related	586,965	190,439	519,344
LIABILITIES AND DEFERRED INFLOWS			
CURRENT LIABILITIES:			
Accounts Payable	15,286	39,375	15,873
Cash Overdraft	-	-	-
Accrued Liabilities	140,781	117,656	243,327
Accrued Interest	-	-	-
Unearned Revenue	-	-	-
Compensated Absences	-	-	-
Due to Other Governments	-	-	14,510
Current Portion of Long-Term Debt	-	-	-
TOTAL CURRENT LIABILITIES	<u>156,067</u>	<u>157,031</u>	<u>273,710</u>
NON CURRENT LIABILITIES			
Long Term Debt	6,456,542	-	-
Net Pension Liability	2,127,658	2,100,841	2,620,063
TOTAL NONCURRENT LIABILITIES	<u>8,584,200</u>	<u>2,100,841</u>	<u>2,620,063</u>
TOTAL LIABILITIES	<u>8,740,267</u>	<u>2,257,872</u>	<u>2,893,773</u>
DEFERRED INFLOWS - Pension Related	225,091	222,243	277,226
NET POSITION			
Net Investment in Capital Assets	(229,652)	18,871	119,891
Restricted	108,322	114,208	599,930
Unrestricted (Deficit)	<u>(1,488,701)</u>	<u>(1,656,952)</u>	<u>(2,208,731)</u>
TOTAL NET POSITION (DEFICIT)	<u>\$ (1,610,031)</u>	<u>(1,523,873)</u>	<u>(1,488,910)</u>

See Independent Auditors Report and Notes to Financial Statements

<u>Coral Community Charter</u>	<u>Cottonwood Classical Preparatory School</u>	<u>Creative Education Preparatory Institute #1</u>	<u>Dream Diné Charter</u>	<u>East Mountain High School</u>	<u>Estancia Valley Classical Academy</u>
178,265	1,688,895	76,674	17,346	1,236,652	277,869
41,643	250,594	104,213	219,801	188,672	116,943
-	-	-	-	-	50,004
-	-	-	-	-	38,118
7,262	13,298	-	-	2,785	-
-	70	-	-	-	-
-	894	-	-	-	-
<u>227,170</u>	<u>1,953,751</u>	<u>180,887</u>	<u>237,147</u>	<u>1,428,109</u>	<u>482,934</u>
-	3,172,430	-	-	392,715	-
-	-	-	67,127	89,752	24,356
-	5,770,204	-	-	3,743,316	-
-	-	-	-	-	728,663
-	-	-	-	-	-
67,289	34,782	-	-	586,929	34,799
<u>(26,078)</u>	<u>(295,061)</u>	<u>-</u>	<u>-</u>	<u>(1,232,093)</u>	<u>(386,068)</u>
<u>41,211</u>	<u>8,682,355</u>	<u>-</u>	<u>67,127</u>	<u>3,580,619</u>	<u>401,750</u>
<u>268,381</u>	<u>10,636,106</u>	<u>180,887</u>	<u>304,274</u>	<u>5,008,728</u>	<u>884,684</u>
470,252	490,588	239,151	-	359,571	771,489
3,927	19,238	17,033	2,436	13,210	66,634
-	-	-	-	-	-
8,046	327,424	171,363	5,645	117,398	188,065
-	-	-	-	-	-
-	-	-	-	-	-
-	-	4,988	-	-	-
-	-	-	-	-	-
-	160,000	-	-	191,575	62,821
<u>11,973</u>	<u>506,662</u>	<u>193,384</u>	<u>8,081</u>	<u>322,183</u>	<u>317,520</u>
-	10,450,000	-	-	697,155	84,547
<u>868,975</u>	<u>4,277,577</u>	<u>2,191,562</u>	<u>-</u>	<u>3,858,206</u>	<u>2,797,511</u>
<u>868,975</u>	<u>14,727,577</u>	<u>2,191,562</u>	<u>-</u>	<u>4,555,361</u>	<u>2,882,058</u>
<u>880,948</u>	<u>15,234,239</u>	<u>2,384,946</u>	<u>8,081</u>	<u>4,877,544</u>	<u>3,199,578</u>
91,913	452,588	231,885	-	408,179	295,991
41,211	(1,927,645)	-	67,127	2,691,889	254,382
14,069	248,839	31,857	202,701	290,477	143,646
<u>(289,508)</u>	<u>(2,881,327)</u>	<u>(2,228,650)</u>	<u>26,365</u>	<u>(2,899,790)</u>	<u>(2,237,424)</u>
<u>(234,228)</u>	<u>(4,560,133)</u>	<u>(2,196,793)</u>	<u>296,193</u>	<u>82,576</u>	<u>(1,839,396)</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
COMBINING STATEMENT OF NET POSITION - Discretely Presented Component Units (Continued)
June 30, 2015

	<u>Explore Academy</u>	<u>Gilbert L Sena Charter High School</u>	<u>GREAT Academy</u>
ASSETS AND DEFERRED OUTFLOWS			
CURRENT ASSETS:			
Cash and Cash Equivalents	\$ 58,361	423,186	252,084
Receivables			
Due From Other Governments	46,282	78,407	48,316
Other Receivables	-	-	-
Deposits	-	-	-
Prepaid Expenditures	-	-	-
Due from Agency Fund	-	-	-
Other	-	-	495,000
TOTAL CURRENT ASSETS	<u>104,643</u>	<u>501,593</u>	<u>795,400</u>
NON-CURRENT ASSETS:			
Capital Assets			
Land and Land Improvements	-	-	-
Construction-in-Process	-	-	-
Building and Improvements	-	-	36,889
Leasehold Improvements	-	-	-
Vehicles	-	-	126,612
Furniture, Fixtures, and Equipment	-	162,545	141,669
Less: Accumulated Depreciation	-	(98,206)	(87,127)
TOTAL NONCURRENT ASSETS	<u>-</u>	<u>64,339</u>	<u>218,043</u>
TOTAL ASSETS	<u>104,643</u>	<u>565,932</u>	<u>1,013,443</u>
DEFERRED OUTFLOWS - Pension Related	-	235,070	202,977
LIABILITIES AND DEFERRED INFLOWS			
CURRENT LIABILITIES:			
Accounts Payable	33,065	10,380	21,322
Cash Overdraft	-	-	-
Accrued Liabilities	174,655	125,673	11,178
Accrued Interest	-	-	-
Unearned Revenue	-	-	-
Compensated Absences	29,666	-	72,584
Due to Other Governments	-	-	-
Current Portion of Long-Term Debt	-	-	-
TOTAL CURRENT LIABILITIES	<u>237,386</u>	<u>136,053</u>	<u>105,084</u>
NON CURRENT LIABILITIES			
Long Term Debt	-	-	-
Net Pension Liability	-	2,199,550	1,433,271
TOTAL NONCURRENT LIABILITIES	<u>-</u>	<u>2,199,550</u>	<u>1,433,271</u>
TOTAL LIABILITIES	<u>237,386</u>	<u>2,335,603</u>	<u>1,538,355</u>
DEFERRED INFLOWS - Pension Related	-	232,698	151,636
NET POSITION			
Net Investment in Capital Assets	-	64,339	218,043
Restricted	9,921	94,086	507,736
Unrestricted (Deficit)	(142,664)	(1,925,724)	(1,199,350)
TOTAL NET POSITION (DEFICIT)	<u>\$ (132,743)</u>	<u>(1,767,299)</u>	<u>(473,571)</u>

See Independent Auditors Report and Notes to Financial Statements

<u>Health Leadership High School</u>	<u>Health Sciences Academy</u>	<u>Horizon Academy West</u>	<u>International School at Mesa del Sol</u>	<u>J. Paul Taylor Academy</u>	<u>La Academia Dolores Huerta</u>
515,177	103,431	1,591,147	538,820	17,758	269,666
189,475	87,292	337,472	29,850	15,107	119,788
-	-	-	-	-	-
27,000	30,000	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	33,473	-	-
<u>731,652</u>	<u>220,723</u>	<u>1,928,619</u>	<u>602,143</u>	<u>32,865</u>	<u>389,454</u>
-	-	164,000	-	-	-
-	-	3,424	-	-	-
-	-	5,124,083	117,836	-	-
-	-	-	-	-	-
-	-	-	-	-	-
40,777	81,504	29,818	115,311	17,045	71,745
<u>(7,115)</u>	<u>(13,932)</u>	<u>(267,342)</u>	<u>(62,974)</u>	<u>(17,045)</u>	<u>(65,702)</u>
<u>33,662</u>	<u>67,572</u>	<u>5,053,983</u>	<u>170,173</u>	<u>-</u>	<u>6,043</u>
<u>765,314</u>	<u>288,295</u>	<u>6,982,602</u>	<u>772,316</u>	<u>32,865</u>	<u>395,497</u>
1,375,389	-	240,377	525,059	272,213	134,155
6,362	1,140	302,262	42,915	20,920	5,212
-	-	-	-	-	-
77,479	40,309	-	152,997	9,601	36,019
-	-	130,800	-	-	-
-	-	-	-	-	-
-	-	11,844	43,345	-	12,129
-	-	-	-	-	-
-	-	50,000	-	-	-
<u>83,841</u>	<u>41,449</u>	<u>494,906</u>	<u>239,257</u>	<u>30,521</u>	<u>53,360</u>
-	-	6,585,000	-	-	-
<u>1,526,845</u>	<u>-</u>	<u>3,495,892</u>	<u>2,511,083</u>	<u>1,719,128</u>	<u>1,508,016</u>
<u>1,526,845</u>	<u>-</u>	<u>10,080,892</u>	<u>2,511,083</u>	<u>1,719,128</u>	<u>1,508,016</u>
<u>1,610,686</u>	<u>41,449</u>	<u>10,575,798</u>	<u>2,750,340</u>	<u>1,749,649</u>	<u>1,561,376</u>
161,514	-	535,302	265,702	181,886	159,571
33,662	67,572	(769,019)	170,173	-	6,043
131,816	31,300	1,176,215	177,055	18,150	98,832
203,025	147,974	(4,295,317)	(2,065,895)	(1,644,607)	(1,296,170)
<u>368,503</u>	<u>246,846</u>	<u>(3,888,121)</u>	<u>(1,718,667)</u>	<u>(1,626,457)</u>	<u>(1,191,295)</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
COMBINING STATEMENT OF NET POSITION - Discretely Presented Component Units (Continued)
June 30, 2015

	La Jicarita Community School	La Promesa Early Learning Center	La Resolana Leadership Academy
ASSETS AND DEFERRED OUTFLOWS			
CURRENT ASSETS:			
Cash and Cash Equivalents	\$ 70,380	431,568	35,445
Receivables			
Due From Other Governments	46,318	306,128	40,422
Other Receivables	5,350	-	-
Deposits	-	-	-
Prepaid Expenditures	4,045	-	-
Due from Agency Fund	-	-	-
Other	-	-	-
TOTAL CURRENT ASSETS	126,093	737,696	75,867
NON-CURRENT ASSETS:			
Capital Assets			
Land and Land Improvements	461,320	1,402,136	-
Construction-in-Process	-	-	-
Building and Improvements	194,712	9,013,755	-
Leasehold Improvements	-	-	-
Vehicles	-	-	-
Furniture, Fixtures, and Equipment	88,193	152,070	-
Less: Accumulated Depreciation	(64,012)	(1,119,438)	-
TOTAL NONCURRENT ASSETS	680,213	9,448,523	-
TOTAL ASSETS	806,306	10,186,219	75,867
DEFERRED OUTFLOWS - Pension Related	305,083	1,122,947	139,822
LIABILITIES AND DEFERRED INFLOWS			
CURRENT LIABILITIES:			
Accounts Payable	5,707	56,907	17,947
Cash Overdraft	-	-	-
Accrued Liabilities	26,063	239,989	47,393
Accrued Interest	-	-	-
Unearned Revenue	-	-	-
Compensated Absences	-	-	-
Due to Other Governments	-	-	-
Current Portion of Long-Term Debt	20,113	8,074	-
TOTAL CURRENT LIABILITIES	51,883	304,970	65,340
NON CURRENT LIABILITIES			
Long Term Debt	395,050	7,594,525	-
Net Pension Liability	345,189	3,507,874	829,035
TOTAL NONCURRENT LIABILITIES	740,239	11,102,399	829,035
TOTAL LIABILITIES	792,122	11,407,369	894,375
DEFERRED INFLOWS - Pension Related	36,544	371,138	87,718
NET POSITION			
Net Investment in Capital Assets	265,050	1,845,924	-
Restricted	18,322	394,269	1,095
Unrestricted (Deficit)	(649)	(2,709,534)	(767,499)
TOTAL NET POSITION (DEFICIT)	\$ 282,723	(469,341)	(766,404)

See Independent Auditors Report and Notes to Financial Statements

<u>La Tierra Montessori School of the Arts and Sciences</u>	<u>The Masters Program</u>	<u>McCurdy Charter School</u>	<u>Media Arts Collaborative Charter School</u>	<u>Mission Achievement and Success</u>	<u>Montessori Elementary School</u>
79,823	693,332	500	457,384	527,358	543,473
76,619	22,612	465,570	76,221	159,641	22,464
-	-	12,905	-	-	-
-	-	-	-	-	-
6,000	-	-	21,188	11,250	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>162,442</u>	<u>715,944</u>	<u>478,975</u>	<u>554,793</u>	<u>698,249</u>	<u>565,937</u>
-	-	-	410,000	-	-
-	-	-	-	-	-
41,067	-	-	1,581,533	-	497,693
-	-	-	-	-	-
-	-	119,321	-	-	-
7,845	173,100	-	78,654	145,086	22,353
(6,289)	(103,860)	(8,942)	(329,292)	(21,909)	(92,690)
<u>42,623</u>	<u>69,240</u>	<u>110,379</u>	<u>1,740,895</u>	<u>123,177</u>	<u>427,356</u>
<u>205,065</u>	<u>785,184</u>	<u>589,354</u>	<u>2,295,688</u>	<u>821,426</u>	<u>993,293</u>
118,574	308,571	522,933	200,849	1,309,830	412,665
-	-	9,547	10,502	11,180	7,376
-	-	-	-	-	-
52,485	127,029	246,859	129,702	-	118,959
-	-	-	-	221,145	-
-	-	62,346	-	-	-
-	-	-	-	6,482	-
-	-	-	-	-	-
-	-	-	72,568	-	-
<u>52,485</u>	<u>127,029</u>	<u>318,752</u>	<u>212,772</u>	<u>238,807</u>	<u>126,335</u>
-	-	-	655,161	-	-
<u>572,277</u>	<u>1,819,549</u>	<u>4,146,346</u>	<u>2,044,925</u>	<u>2,511,083</u>	<u>2,511,654</u>
<u>572,277</u>	<u>1,819,549</u>	<u>4,146,346</u>	<u>2,700,086</u>	<u>2,511,083</u>	<u>2,511,654</u>
<u>624,762</u>	<u>1,946,578</u>	<u>4,465,098</u>	<u>2,912,858</u>	<u>2,749,890</u>	<u>2,637,989</u>
60,571	192,485	438,709	216,328	265,691	265,745
42,623	69,240	110,379	1,013,166	123,177	427,356
46,570	25,468	223,741	62,168	112,564	440,893
(450,887)	(1,140,016)	(4,125,640)	(1,707,983)	(1,120,066)	(2,366,025)
<u>(361,694)</u>	<u>(1,045,308)</u>	<u>(3,791,520)</u>	<u>(632,649)</u>	<u>(884,325)</u>	<u>(1,497,776)</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
COMBINING STATEMENT OF NET POSITION - Discretely Presented Component Units (Continued)
June 30, 2015

	New American School	New America School of Las Cruces	New Mexico Connections Academy
ASSETS AND DEFERRED OUTFLOWS			
CURRENT ASSETS:			
Cash and Cash Equivalents	\$ 827,477	1,005,593	273,900
Receivables			
Due From Other Governments	73,664	60,127	100,245
Other Receivables	-	-	-
Deposits	-	-	-
Prepaid Expenditures	-	-	-
Due from Agency Fund	-	-	-
Other	-	-	-
TOTAL CURRENT ASSETS	901,141	1,065,720	374,145
NON-CURRENT ASSETS:			
Capital Assets			
Land and Land Improvements	-	-	-
Construction-in-Process	-	-	-
Building and Improvements	2,721,644	45,716	-
Leasehold Improvements	-	-	-
Vehicles	39,507	39,604	-
Furniture, Fixtures, and Equipment	68,000	5,191	-
Less: Accumulated Depreciation	(626,142)	(27,880)	-
TOTAL NONCURRENT ASSETS	2,203,009	62,631	-
TOTAL ASSETS	3,104,150	1,128,351	374,145
DEFERRED OUTFLOWS - Pension Related	180,344	656,501	1,494,474
LIABILITIES AND DEFERRED INFLOWS			
CURRENT LIABILITIES:			
Accounts Payable	17,998	10,651	37,179
Cash Overdraft	-	-	-
Accrued Liabilities	141,302	143,720	118,713
Accrued Interest	-	-	-
Unearned Revenue	-	-	-
Compensated Absences	-	-	-
Due to Other Governments	-	-	-
Current Portion of Long-Term Debt	164,320	-	-
TOTAL CURRENT LIABILITIES	323,620	154,371	155,892
NON CURRENT LIABILITIES			
Long Term Debt	2,027,011	-	-
Net Pension Liability	2,386,698	2,022,675	1,605,584
TOTAL NONCURRENT LIABILITIES	4,413,709	2,022,675	1,605,584
TOTAL LIABILITIES	4,737,329	2,177,046	1,761,476
DEFERRED INFLOWS - Pension Related	252,520	214,016	169,899
NET POSITION			
Net Investment in Capital Assets	11,678	62,631	-
Restricted	212,998	137,041	1,714
Unrestricted (Deficit)	(1,930,031)	(805,882)	(64,470)
TOTAL NET POSITION (DEFICIT)	\$ (1,705,355)	(606,210)	(62,756)

See Independent Auditors Report and Notes to Financial Statements

<u>New Mexico International School</u>	<u>New Mexico School for the Arts</u>	<u>North Valley Academy</u>	<u>Ralph J. Bunche Academy</u>	<u>Red River Valley Charter School</u>	<u>Sage Montessori Charter School</u>
205,988	556,961	773,444	136,538	19,500	99,750
32,094	131,056	334,445	-	117,885	65,350
-	-	-	-	-	-
19,755	12,500	-	-	-	10,000
-	14,583	-	-	-	-
-	-	-	-	-	-
-	-	-	6,595	-	-
<u>257,837</u>	<u>715,100</u>	<u>1,107,889</u>	<u>143,133</u>	<u>137,385</u>	<u>175,100</u>
-	-	-	-	-	-
-	-	-	-	-	-
25,193	-	91,474	88,405	-	-
-	-	-	-	189,948	-
-	-	-	-	-	-
7,458	153,311	9,911	-	206,215	23,261
<u>(9,442)</u>	<u>(83,968)</u>	<u>(96,288)</u>	<u>(33,439)</u>	<u>(258,262)</u>	<u>(11,898)</u>
<u>23,209</u>	<u>69,343</u>	<u>5,097</u>	<u>54,966</u>	<u>137,901</u>	<u>11,363</u>
<u>281,046</u>	<u>784,443</u>	<u>1,112,986</u>	<u>198,099</u>	<u>275,286</u>	<u>186,463</u>
275,368	451,610	248,562	-	64,533	86,633
21,898	4,224	5,767	432	1,091	58,107
-	-	-	-	-	-
137,372	152,625	384,644	468	8,599	83,668
-	-	-	-	-	-
-	-	-	-	-	-
5,603	-	-	-	-	-
-	-	-	-	9,756	-
-	-	-	-	-	-
<u>164,873</u>	<u>156,849</u>	<u>390,411</u>	<u>900</u>	<u>19,446</u>	<u>141,775</u>
-	-	-	-	-	-
<u>1,431,559</u>	<u>2,345,617</u>	<u>3,333,850</u>	<u>813,629</u>	<u>737,743</u>	<u>1,178,225</u>
<u>1,431,559</u>	<u>2,345,617</u>	<u>3,333,850</u>	<u>813,629</u>	<u>737,743</u>	<u>1,178,225</u>
<u>1,596,432</u>	<u>2,502,466</u>	<u>3,724,261</u>	<u>814,529</u>	<u>757,189</u>	<u>1,320,000</u>
151,447	248,156	510,663	115,003	81,862	129,349
23,209	69,343	5,097	54,966	137,901	11,363
30,302	383,795	110,360	34,624	38,313	16,837
<u>(1,244,976)</u>	<u>(1,967,707)</u>	<u>(2,988,833)</u>	<u>(821,023)</u>	<u>(675,446)</u>	<u>(1,204,453)</u>
<u>(1,191,465)</u>	<u>(1,514,569)</u>	<u>(2,873,376)</u>	<u>(731,433)</u>	<u>(499,232)</u>	<u>(1,176,253)</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
COMBINING STATEMENT OF NET POSITION - Discretely Presented Component Units (Continued)
June 30, 2015

	School of Dreams Academy	South Valley Preparatory School	Southwest Aeronautics, Mathematics, and Science Academy
ASSETS AND DEFERRED OUTFLOWS			
CURRENT ASSETS:			
Cash and Cash Equivalents	\$ 566,313	88,549	1,197,532
Receivables			
Due From Other Governments	116,856	167,844	15,479
Other Receivables	-	-	-
Deposits	-	25,125	-
Prepaid Expenditures	-	-	-
Due from Agency Fund	-	-	-
Other	-	-	-
TOTAL CURRENT ASSETS	683,169	281,518	1,213,011
NON-CURRENT ASSETS:			
Capital Assets			
Land and Land Improvements	-	-	-
Construction-in-Process	-	-	-
Building and Improvements	-	-	-
Leasehold Improvements	-	-	-
Vehicles	215,719	-	-
Furniture, Fixtures, and Equipment	247,807	6,344	286,257
Less: Accumulated Depreciation	(284,701)	(6,344)	(78,070)
TOTAL NONCURRENT ASSETS	178,825	-	208,187
TOTAL ASSETS	861,994	281,518	1,421,198
DEFERRED OUTFLOWS - Pension Related	216,541	186,877	192,902
LIABILITIES AND DEFERRED INFLOWS			
CURRENT LIABILITIES:			
Accounts Payable	7,180	2,209	84,118
Cash Overdraft	-	10,547	-
Accrued Liabilities	-	72,418	29,471
Accrued Interest	-	-	-
Unearned Revenue	-	-	-
Compensated Absences	5,513	-	-
Due to Other Governments	-	-	-
Current Portion of Long-Term Debt	-	-	115,020
TOTAL CURRENT LIABILITIES	12,693	85,174	228,609
NON CURRENT LIABILITIES			
Long Term Debt	16,539	-	87,110
Net Pension Liability	2,645,168	1,472,070	1,465,793
TOTAL NONCURRENT LIABILITIES	2,661,707	1,472,070	1,552,903
TOTAL LIABILITIES	2,674,400	1,557,244	1,781,512
DEFERRED INFLOWS - Pension Related	557,125	155,760	155,101
NET POSITION			
Net Investment in Capital Assets	178,825	-	6,057
Restricted	182,879	113,676	347,789
Unrestricted (Deficit)	(2,514,694)	(1,358,285)	(676,359)
TOTAL NET POSITION (DEFICIT)	\$ (2,152,990)	(1,244,609)	(322,513)

See Independent Auditors Report and Notes to Financial Statements

<u>Southwest Intermediate Learning Center</u>	<u>Southwest Primary Learning Center</u>	<u>Southwest Secondary Learning Center</u>	<u>Taos Academy</u>	<u>Taos Integrated School of Arts</u>	<u>Taos International Charter</u>
782,735	642,459	1,753,709	355,856	495,411	47,253
24,362	26,992	65,870	442,796	194,494	31,884
-	-	-	-	-	-
-	-	-	-	21,000	4,000
-	-	-	1,551	-	17,280
-	-	-	-	-	-
-	-	-	-	-	-
<u>807,097</u>	<u>669,451</u>	<u>1,819,579</u>	<u>800,203</u>	<u>710,905</u>	<u>100,417</u>
-	-	-	-	-	-
-	-	-	-	-	-
14,151	16,336	42,662	514,613	-	-
-	-	-	-	-	-
-	-	46,356	-	-	-
155,776	219,996	977,932	207,121	93,443	-
<u>(157,863)</u>	<u>(157,760)</u>	<u>(1,009,930)</u>	<u>(85,592)</u>	<u>(14,799)</u>	<u>-</u>
<u>12,064</u>	<u>78,572</u>	<u>57,020</u>	<u>636,142</u>	<u>78,644</u>	<u>-</u>
<u>819,161</u>	<u>748,023</u>	<u>1,876,599</u>	<u>1,436,345</u>	<u>789,549</u>	<u>100,417</u>
156,298	59,480	224,870	343,767	87,470	-
47,325	-	136,309	-	-	5,252
-	-	-	-	-	-
17,929	16,861	38,855	147,895	68,292	55,769
-	-	-	-	-	-
-	-	-	6,130	-	-
15,410	15,363	18,894	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>80,664</u>	<u>32,224</u>	<u>194,058</u>	<u>154,025</u>	<u>68,292</u>	<u>61,021</u>
-	-	-	-	-	-
944,861	1,024,741	2,007,838	1,783,032	977,384	-
<u>944,861</u>	<u>1,024,741</u>	<u>2,007,838</u>	<u>1,783,032</u>	<u>977,384</u>	<u>-</u>
1,025,525	1,056,965	2,201,896	1,937,057	1,045,676	61,021
99,984	112,590	212,419	188,631	103,412	-
12,064	78,572	57,020	636,142	78,644	-
368,913	377,846	1,014,470	102,298	148,040	21,280
<u>(531,027)</u>	<u>(818,470)</u>	<u>(1,384,336)</u>	<u>(1,084,016)</u>	<u>(498,753)</u>	<u>18,116</u>
<u>(150,050)</u>	<u>(362,052)</u>	<u>(312,846)</u>	<u>(345,576)</u>	<u>(272,069)</u>	<u>39,396</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
COMBINING STATEMENT OF NET POSITION - Discretely Presented Component Units (Continued)
June 30, 2015

	The Learning Community Charter School	Tierra Adentro	Uplift Community School
ASSETS AND DEFERRED OUTFLOWS			
CURRENT ASSETS:			
Cash and Cash Equivalents	\$ 77,093	55,673	219,769
Receivables			
Due From Other Governments	-	205,313	72,305
Other Receivables	-	-	-
Deposits	-	11,428	-
Prepaid Expenditures	-	-	-
Due from Agency Fund	-	-	-
Other	-	-	-
TOTAL CURRENT ASSETS	<u>77,093</u>	<u>272,414</u>	<u>292,074</u>
NON-CURRENT ASSETS:			
Capital Assets			
Land and Land Improvements	-	-	-
Construction-in-Process	-	-	-
Building and Improvements	-	-	-
Leasehold Improvements	-	-	-
Vehicles	-	-	-
Furniture, Fixtures, and Equipment	-	61,558	60,963
Less: Accumulated Depreciation	-	(40,691)	(14,411)
TOTAL NONCURRENT ASSETS	<u>-</u>	<u>20,867</u>	<u>46,552</u>
TOTAL ASSETS	<u>77,093</u>	<u>293,281</u>	<u>338,626</u>
DEFERRED OUTFLOWS - Pension Related	-	293,545	489,596
LIABILITIES AND DEFERRED INFLOWS			
CURRENT LIABILITIES:			
Accounts Payable	-	103,717	79,879
Cash Overdraft	-	-	-
Accrued Liabilities	-	145,992	97,516
Accrued Interest	-	-	-
Unearned Revenue	-	-	-
Compensated Absences	-	-	-
Due to Other Governments	-	-	-
Current Portion of Long-Term Debt	-	-	-
TOTAL CURRENT LIABILITIES	<u>-</u>	<u>249,709</u>	<u>177,395</u>
NON CURRENT LIABILITIES			
Long Term Debt	-	-	-
Net Pension Liability	1,909,129	2,294,265	1,405,884
TOTAL NONCURRENT LIABILITIES	<u>1,909,129</u>	<u>2,294,265</u>	<u>1,405,884</u>
TOTAL LIABILITIES	<u>1,909,129</u>	<u>2,543,974</u>	<u>1,583,279</u>
DEFERRED INFLOWS - Pension Related	404,196	242,735	148,719
NET POSITION			
Net Investment in Capital Assets	-	20,867	46,552
Restricted	57,320	26,440	66,910
Unrestricted (Deficit)	(2,293,552)	(2,247,190)	(1,017,238)
TOTAL NET POSITION (DEFICIT)	<u>\$ (2,236,232)</u>	<u>(2,199,883)</u>	<u>(903,776)</u>

See Independent Auditors Report and Notes to Financial Statements

<u>Walatowa High Charter School</u>	<u>William W. & Josephine Dorn Charter Community School</u>	<u>Total Charter Schools</u>
847,823	72,417	35,362,408
129,350	38,021	6,394,666
-	-	69,315
-	-	213,426
12,789	-	204,205
-	-	70
-	-	590,182
<u>989,962</u>	<u>110,438</u>	<u>42,834,272</u>
-	-	7,880,590
-	-	684,659
-	-	39,111,522
-	-	918,611
-	-	752,870
8,755	27,125	6,102,391
<u>(7,942)</u>	<u>(16,275)</u>	<u>(9,758,658)</u>
<u>813</u>	<u>10,850</u>	<u>45,691,985</u>
<u>990,775</u>	<u>121,288</u>	<u>88,526,257</u>
181,696	127,500	19,515,540
50	760	1,635,399
-	-	10,547
7,017	36,461	5,613,609
-	-	352,945
-	-	243,476
17,806	-	298,219
-	-	41,948
-	-	1,148,346
<u>24,873</u>	<u>37,221</u>	<u>9,344,489</u>
-	-	39,886,609
<u>947,714</u>	<u>393,688</u>	<u>109,021,707</u>
<u>947,714</u>	<u>393,688</u>	<u>148,908,316</u>
<u>972,587</u>	<u>430,909</u>	<u>158,252,805</u>
100,261	41,631	12,717,280
813	10,850	10,553,908
129,846	8,572	12,307,934
<u>(31,036)</u>	<u>(243,174)</u>	<u>(85,790,130)</u>
<u>99,623</u>	<u>(223,752)</u>	<u>(62,928,288)</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
COMBINING STATEMENT OF ACTIVITIES
DISCRETELY PRESENTED COMPONENT UNITS
For the Year Ended June 30, 2015

	Academy of Trade and Technology	ACE Leadership High School	AIMS at UNM
INSTRUCTION			
Expenses	\$ (579,031)	(1,373,609)	(1,688,836)
Program Revenues:			
Charges for Services	-	2,101	4,049
Operating Grants and Contributions	85,375	396,678	98,941
Net (Expense) Over Revenue - Instruction	<u>(493,656)</u>	<u>(974,830)</u>	<u>(1,585,846)</u>
SUPPORT SERVICES			
Expenses	(1,215,196)	(2,113,529)	(1,060,037)
Program Revenues:			
Charges for Services	-	-	-
Operating Grants and Contributions	202,427	-	-
Capital Grants and Contributions	-	-	-
Net (Expense) Over Revenue - Support Services	<u>(1,012,769)</u>	<u>(2,113,529)</u>	<u>(1,060,037)</u>
OPERATION OF NON-INSTRUCTIONAL SERVICES			
Expenses	(35,830)	(1,680,252)	(276,401)
Program Revenues:			
Charges for Services	-	-	-
Operating Grants and Contributions	31,588	91,427	-
Capital Grants and Contributions	99,893	244,923	470,196
Net (Expense) Over Revenue - Operation of Non-Instruction Services	<u>95,651</u>	<u>(1,343,902)</u>	<u>193,795</u>
Interest on Long-Term Debt	-	-	-
Total Net (Expense) Over Revenue - All Functions	<u>(1,410,774)</u>	<u>(4,432,261)</u>	<u>(2,452,088)</u>
GENERAL REVENUES			
State Equalization Guarantee	1,426,715	3,060,897	2,795,356
Property Taxes	99,755	91,989	-
Miscellaneous	42,001	264,688	-
Total General Revenues	<u>1,568,471</u>	<u>3,417,574</u>	<u>2,795,356</u>
Change in Net Position	<u>157,697</u>	<u>(1,014,687)</u>	<u>343,268</u>
Net Position, Beginning	906,702	1,591,576	1,854,889
Restatement	<u>(1,800,663)</u>	<u>(3,242,488)</u>	<u>(2,774,937)</u>
Net Position, Beginning as Restated	(893,961)	(1,650,912)	(920,048)
Net Position, Ending	<u>\$ (736,264)</u>	<u>(2,665,599)</u>	<u>(576,780)</u>

See Independent Auditors Report and Notes to Financial Statements

<u>Albuquerque School of Excellence</u>	<u>Albuquerque Sign Language Academy</u>	<u>Aldo Leopold High School</u>	<u>Alma d'arte Charter High School</u>	<u>Amy Biehl Charter School</u>	<u>Anthony Charter School</u>
(1,323,352)	(991,891)	(1,008,374)	(1,283,014)	(1,620,689)	(345,152)
15,166	-	23,999	2,003	19,732	120
88,520	445,603	80,227	137,456	313,119	35,372
<u>(1,219,666)</u>	<u>(546,288)</u>	<u>(904,148)</u>	<u>(1,143,555)</u>	<u>(1,287,838)</u>	<u>(309,660)</u>
(1,044,729)	(1,288,466)	(918,515)	(654,428)	(1,681,404)	(442,644)
-	-	-	-	-	-
-	239,277	116,543	-	-	-
-	-	-	-	-	-
<u>(1,044,729)</u>	<u>(1,049,189)</u>	<u>(801,972)</u>	<u>(654,428)</u>	<u>(1,681,404)</u>	<u>(442,644)</u>
(263,985)	(110,356)	(160,051)	(217,043)	(261,349)	(120,818)
13,251	-	-	21,383	6,330	-
40,865	31,438	-	-	32,802	26,293
209,406	229,199	105,137	141,856	11,613	39,432
<u>(463)</u>	<u>150,281</u>	<u>(54,914)</u>	<u>(53,804)</u>	<u>(210,604)</u>	<u>(55,093)</u>
-	-	-	-	-	-
<u>(2,264,858)</u>	<u>(1,445,196)</u>	<u>(1,761,034)</u>	<u>(1,851,787)</u>	<u>(3,179,846)</u>	<u>(807,397)</u>
2,219,571	1,728,354	1,586,964	1,919,879	2,790,826	751,129
89,015	26,322	56,541	-	267,606	7,858
-	13,471	26,220	-	123,813	-
<u>2,308,586</u>	<u>1,768,147</u>	<u>1,669,725</u>	<u>1,919,879</u>	<u>3,182,245</u>	<u>758,987</u>
<u>43,728</u>	<u>322,951</u>	<u>(91,309)</u>	<u>68,092</u>	<u>2,399</u>	<u>(48,410)</u>
297,315	407,515	787,314	(13,957)	4,269,673	1,057,689
<u>(1,938,177)</u>	<u>(1,786,796)</u>	<u>(1,666,486)</u>	<u>(2,334,475)</u>	<u>(3,948,308)</u>	<u>(1,006,732)</u>
<u>(1,640,862)</u>	<u>(1,379,281)</u>	<u>(879,172)</u>	<u>(2,348,432)</u>	<u>321,365</u>	<u>50,957</u>
<u>(1,597,134)</u>	<u>(1,056,330)</u>	<u>(970,481)</u>	<u>(2,280,340)</u>	<u>323,764</u>	<u>2,547</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
COMBINING STATEMENT OF ACTIVITIES (CONTINUED)
DISCRETELY PRESENTED COMPONENT UNITS
For the Year Ended June 30, 2015

	ASK Academy	Cesar Chavez Community School	Cien Aguas International School
INSTRUCTION			
Expenses	\$ (1,457,888)	(1,108,575)	(1,890,891)
Program Revenues:			
Charges for Services	15,873	-	53,507
Operating Grants and Contributions	110,229	167,987	164,922
Net (Expense) Over Revenue - Instruction	<u>(1,331,786)</u>	<u>(940,588)</u>	<u>(1,672,462)</u>
SUPPORT SERVICES			
Expenses	(1,594,837)	(1,075,169)	(1,052,458)
Program Revenues:			
Charges for Services	-	-	-
Operating Grants and Contributions	-	-	105,837
Capital Grants and Contributions	-	-	-
Net (Expense) Over Revenue - Support Services	<u>(1,594,837)</u>	<u>(1,075,169)</u>	<u>(946,621)</u>
OPERATION OF NON-INSTRUCTIONAL SERVICES			
Expenses	(220,100)	(281,497)	(381,438)
Program Revenues:			
Charges for Services	-	-	29,047
Operating Grants and Contributions	-	49,554	47,694
Capital Grants and Contributions	214,422	211,654	229,754
Net (Expense) Over Revenue - Operation of Non-Instruction Services	<u>(5,678)</u>	<u>(20,289)</u>	<u>(74,943)</u>
Interest on Long-Term Debt	-	-	-
Total Net (Expense) Over Revenue - All Functions	<u>(2,932,301)</u>	<u>(2,036,046)</u>	<u>(2,694,026)</u>
GENERAL REVENUES			
State Equalization Guarantee	2,450,057	2,026,082	2,526,481
Property Taxes	65,855	57,222	283,196
Miscellaneous	89,824	2,542	4,687
Total General Revenues	<u>2,605,736</u>	<u>2,085,846</u>	<u>2,814,364</u>
Change in Net Position	<u>(326,565)</u>	<u>49,800</u>	<u>120,338</u>
Net Position, Beginning	382,842	546,278	682,314
Restatement	<u>(1,666,308)</u>	<u>(2,119,951)</u>	<u>(2,291,562)</u>
Net Position, Beginning as Restated	<u>(1,283,466)</u>	<u>(1,573,673)</u>	<u>(1,609,248)</u>
Net Position, Ending	<u>\$ (1,610,031)</u>	<u>(1,523,873)</u>	<u>(1,488,910)</u>

See Independent Auditors Report and Notes to Financial Statements

<u>Coral Community Charter</u>	<u>Cottonwood Classical Preparatory School</u>	<u>Creative Education Preparatory Institute #1</u>	<u>Dream Diné Charter</u>	<u>East Mountain High School</u>	<u>Estancia Valley Classical Academy</u>
(813,578)	(2,730,593)	(1,082,887)	(90,328)	(1,969,615)	(1,777,058)
-	40,455	6,752	-	172,879	-
126,135	159,097	206,273	92,039	431,236	176,184
<u>(687,443)</u>	<u>(2,531,041)</u>	<u>(869,862)</u>	<u>1,711</u>	<u>(1,365,500)</u>	<u>(1,600,874)</u>
(620,905)	(1,795,185)	(935,975)	(158,668)	(1,168,183)	(1,183,093)
-	-	-	-	-	-
-	281,147	-	300,000	-	-
-	-	-	-	-	-
<u>(620,905)</u>	<u>(1,514,038)</u>	<u>(935,975)</u>	<u>141,332</u>	<u>(1,168,183)</u>	<u>(1,183,093)</u>
(154,751)	(1,413,197)	(126,569)	(14,250)	(1,046,630)	(302,293)
15,266	-	-	-	-	-
20,303	-	-	-	-	-
73,625	597,874	96,760	9,000	285,959	258,424
<u>(45,557)</u>	<u>(815,323)</u>	<u>(29,809)</u>	<u>(5,250)</u>	<u>(760,671)</u>	<u>(43,869)</u>
-	-	-	-	-	(14,116)
<u>(1,353,905)</u>	<u>(4,860,402)</u>	<u>(1,835,646)</u>	<u>137,793</u>	<u>(3,294,354)</u>	<u>(2,841,952)</u>
1,256,562	3,906,445	1,669,422	158,400	2,636,371	2,587,866
25,798	178,949	-	-	326,768	-
-	864,052	-	-	684,598	84,231
<u>1,282,360</u>	<u>4,949,446</u>	<u>1,669,422</u>	<u>158,400</u>	<u>3,647,737</u>	<u>2,672,097</u>
<u>(71,545)</u>	<u>89,044</u>	<u>(166,224)</u>	<u>296,193</u>	<u>353,383</u>	<u>(169,855)</u>
232,182	(446,783)	119,999	-	3,586,663	457,599
<u>(394,865)</u>	<u>(4,202,394)</u>	<u>(2,150,568)</u>	<u>-</u>	<u>(3,857,470)</u>	<u>(2,127,140)</u>
<u>(162,683)</u>	<u>(4,649,177)</u>	<u>(2,030,569)</u>	<u>-</u>	<u>(270,807)</u>	<u>(1,669,541)</u>
<u>(234,228)</u>	<u>(4,560,133)</u>	<u>(2,196,793)</u>	<u>296,193</u>	<u>82,576</u>	<u>(1,839,396)</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
COMBINING STATEMENT OF ACTIVITIES (CONTINUED)
DISCRETELY PRESENTED COMPONENT UNITS
For the Year Ended June 30, 2015

	Explore Academy	Gilbert L Sena Charter High School	GREAT Academy
INSTRUCTION			
Expenses	\$ (1,020,826)	(1,197,009)	(660,596)
Program Revenues:			
Charges for Services	17,540	2,070	9,980
Operating Grants and Contributions	200,695	137,603	75,375
Net (Expense) Over Revenue - Instruction	<u>(802,591)</u>	<u>(1,057,336)</u>	<u>(575,241)</u>
SUPPORT SERVICES			
Expenses	(815,133)	(928,963)	(1,044,295)
Program Revenues:			
Charges for Services	-	-	-
Operating Grants and Contributions	-	-	-
Capital Grants and Contributions	-	-	-
Net (Expense) Over Revenue - Support Services	<u>(815,133)</u>	<u>(928,963)</u>	<u>(1,044,295)</u>
OPERATION OF NON-INSTRUCTIONAL SERVICES			
Expenses	(225,203)	(257,238)	(138,316)
Program Revenues:			
Charges for Services	6,713	-	-
Operating Grants and Contributions	-	-	-
Capital Grants and Contributions	184,988	195,419	130,320
Net (Expense) Over Revenue - Operation of Non-Instructional Services	<u>(33,502)</u>	<u>(61,819)</u>	<u>(7,996)</u>
Interest on Long-Term Debt	-	-	-
Total Net (Expense) Over Revenue - All Functions	<u>(1,651,226)</u>	<u>(2,048,118)</u>	<u>(1,627,532)</u>
GENERAL REVENUES			
State Equalization Guarantee	1,518,483	1,990,969	1,826,434
Property Taxes	-	52,739	-
Miscellaneous	-	-	-
Total General Revenues	<u>1,518,483</u>	<u>2,043,708</u>	<u>1,826,434</u>
Change in Net Position	<u>(132,743)</u>	<u>(4,410)</u>	<u>198,902</u>
Net Position, Beginning	-	411,043	678,904
Restatement	-	(2,173,932)	(1,351,377)
Net Position, Beginning as Restated	-	(1,762,889)	(672,473)
Net Position, Ending	<u>\$ (132,743)</u>	<u>(1,767,299)</u>	<u>(473,571)</u>

See Independent Auditors Report and Notes to Financial Statements

Health Leadership High School	Health Sciences Academy	Horizon Academy West	International School at Mesa del Sol	J. Paul Taylor Academy	La Academia Dolores Huerta
(736,728)	(803,642)	(2,036,716)	(1,290,434)	(1,046,028)	(826,143)
1,765	-	101,630	-	64,163	-
214,383	70,288	482,391	245,836	97,726	165,215
<u>(520,580)</u>	<u>(733,354)</u>	<u>(1,452,695)</u>	<u>(1,044,598)</u>	<u>(884,139)</u>	<u>(660,928)</u>
(1,188,969)	(970,994)	(1,404,216)	(856,032)	(500,449)	(586,191)
-	-	-	-	-	-
-	242,236	-	86,132	-	-
-	-	-	-	-	-
<u>(1,188,969)</u>	<u>(728,758)</u>	<u>(1,404,216)</u>	<u>(769,900)</u>	<u>(500,449)</u>	<u>(586,191)</u>
(277,415)	(291,910)	(405,412)	(322,560)	(232,123)	(214,314)
84	-	24,414	12,495	31,019	1,197
30,850	81,300	228,585	47,387	33,910	89,466
275,428	217,376	325,328	225,685	150,888	109,513
<u>28,947</u>	<u>6,766</u>	<u>172,915</u>	<u>(36,993)</u>	<u>(16,306)</u>	<u>(14,138)</u>
-	-	-	-	-	-
<u>(1,680,602)</u>	<u>(1,455,346)</u>	<u>(2,683,996)</u>	<u>(1,851,491)</u>	<u>(1,400,894)</u>	<u>(1,261,257)</u>
1,876,805	1,702,192	2,943,340	1,780,159	1,304,291	1,304,978
19,656	-	124,056	91,319	-	52,773
6,467	-	4,978	-	-	-
<u>1,902,928</u>	<u>1,702,192</u>	<u>3,072,374</u>	<u>1,871,478</u>	<u>1,304,291</u>	<u>1,357,751</u>
<u>222,326</u>	<u>246,846</u>	<u>388,378</u>	<u>19,987</u>	<u>(96,603)</u>	<u>96,494</u>
49,200	-	(429,937)	355,203	45,644	240,224
96,977	-	(3,846,562)	(2,093,857)	(1,575,498)	(1,528,013)
146,177	-	(4,276,499)	(1,738,654)	(1,529,854)	(1,287,789)
<u>368,503</u>	<u>246,846</u>	<u>(3,888,121)</u>	<u>(1,718,667)</u>	<u>(1,626,457)</u>	<u>(1,191,295)</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
COMBINING STATEMENT OF ACTIVITIES (CONTINUED)
DISCRETELY PRESENTED COMPONENT UNITS
For the Year Ended June 30, 2015

	La Jicarita Community School	La Promesa Early Learning Center	La Resolana Leadership Academy
INSTRUCTION			
Expenses	\$ (243,857)	(2,703,449)	(426,639)
Program Revenues:			
Charges for Services	-	68,921	49
Operating Grants and Contributions	105,742	1,012,682	82,080
Net (Expense) Over Revenue - Instruction	<u>(138,115)</u>	<u>(1,621,846)</u>	<u>(344,510)</u>
SUPPORT SERVICES			
Expenses	(263,656)	(1,422,125)	(495,334)
Program Revenues:			
Charges for Services	-	-	-
Operating Grants and Contributions	-	78,680	-
Capital Grants and Contributions	57,784	-	-
Net (Expense) Over Revenue - Support Services	<u>(205,872)</u>	<u>(1,343,445)</u>	<u>(495,334)</u>
OPERATION OF NON-INSTRUCTIONAL SERVICES			
Expenses	(40,286)	(1,547,179)	(131,358)
Program Revenues:			
Charges for Services	-	28,209	45
Operating Grants and Contributions	-	325,518	50,740
Capital Grants and Contributions	-	317,833	58,616
Net (Expense) Over Revenue - Operation of Non-Instruction Services	<u>(40,286)</u>	<u>(875,619)</u>	<u>(21,957)</u>
Interest on Long-Term Debt	(29,780)	-	-
Total Net (Expense) Over Revenue - All Functions	<u>(414,053)</u>	<u>(3,840,910)</u>	<u>(861,801)</u>
GENERAL REVENUES			
State Equalization Guarantee	366,971	2,798,769	912,891
Property Taxes	12,813	332,558	-
Miscellaneous	246	480,000	-
Total General Revenues	<u>380,030</u>	<u>3,611,327</u>	<u>912,891</u>
Change in Net Position	<u>(34,023)</u>	<u>(229,583)</u>	<u>51,090</u>
Net Position, Beginning	294,803	2,215,106	(61,702)
Restatement	21,943	(2,454,864)	(755,792)
Net Position, Beginning as Restated	<u>316,746</u>	<u>(239,758)</u>	<u>(817,494)</u>
Net Position, Ending	<u>\$ 282,723</u>	<u>(469,341)</u>	<u>(766,404)</u>

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La Tierra Montessori School of the Arts and Sciences	The Masters Program	McCurdy Charter School	Media Arts Collaborative Charter School	Mission Achievement and Success	Montessori Elementary School
(580,181)	(1,013,383)	(2,202,598)	(1,364,896)	(2,686,520)	(1,694,040)
-	-	64,052	14,713	-	171,597
166,782	77,275	329,083	282,322	264,708	128,632
<u>(413,399)</u>	<u>(936,108)</u>	<u>(1,809,463)</u>	<u>(1,067,861)</u>	<u>(2,421,812)</u>	<u>(1,393,811)</u>
(463,518)	(956,869)	(1,261,540)	(1,089,433)	(1,302,263)	(888,939)
-	-	-	-	-	-
46,277	-	-	-	79,955	-
-	-	-	-	-	-
<u>(417,241)</u>	<u>(956,869)</u>	<u>(1,261,540)</u>	<u>(1,089,433)</u>	<u>(1,222,308)</u>	<u>(888,939)</u>
(55,356)	(104,144)	(441,545)	(202,398)	(503,945)	(517,064)
-	-	88,669	8,616	-	-
-	-	108,859	44,890	340,820	-
63,810	104,144	392,337	430,011	294,417	352,642
8,454	-	148,320	281,119	131,292	(164,422)
-	-	-	-	-	-
<u>(822,186)</u>	<u>(1,892,977)</u>	<u>(2,922,683)</u>	<u>(1,876,175)</u>	<u>(3,512,828)</u>	<u>(2,447,172)</u>
840,804	1,896,035	3,077,377	2,227,076	3,446,874	2,192,674
30,126	-	212,889	56,397	-	323,697
343	-	23,641	-	-	-
<u>871,273</u>	<u>1,896,035</u>	<u>3,313,907</u>	<u>2,283,473</u>	<u>3,446,874</u>	<u>2,516,371</u>
49,087	3,058	391,224	407,298	(65,954)	69,199
105,968	595,464	(213,676)	1,059,075	362,224	737,766
<u>(516,749)</u>	<u>(1,643,830)</u>	<u>(3,969,068)</u>	<u>(2,099,022)</u>	<u>(1,180,595)</u>	<u>(2,304,741)</u>
(410,781)	(1,048,366)	(4,182,744)	(1,039,947)	(818,371)	(1,566,975)
<u>(361,694)</u>	<u>(1,045,308)</u>	<u>(3,791,520)</u>	<u>(632,649)</u>	<u>(884,325)</u>	<u>(1,497,776)</u>

STATE OF NEW MEXICO
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DISCRETELY PRESENTED COMPONENT UNITS
For the Year Ended June 30, 2015

	New American School	New America School of Las Cruces	New Mexico Connections Academy
INSTRUCTION			
Expenses	\$ (969,373)	(967,226)	(4,546,941)
Program Revenues:			
Charges for Services	-	450	565
Operating Grants and Contributions	175,687	126,929	353,778
Net (Expense) Over Revenue - Instruction	<u>(793,686)</u>	<u>(839,847)</u>	<u>(4,192,598)</u>
SUPPORT SERVICES			
Expenses	(1,358,014)	(1,556,185)	(964,070)
Program Revenues:			
Charges for Services	-	-	-
Operating Grants and Contributions	-	74,711	-
Capital Grants and Contributions	-	-	-
Net (Expense) Over Revenue - Support Services	<u>(1,358,014)</u>	<u>(1,481,474)</u>	<u>(964,070)</u>
OPERATION OF NON-INSTRUCTIONAL SERVICES			
Expenses	(611,316)	(257,529)	-
Program Revenues:			
Charges for Services	194	42	-
Operating Grants and Contributions	81,523	35,540	-
Capital Grants and Contributions	284,143	216,065	-
Net (Expense) Over Revenue - Operation of Non-Instruction Services	<u>(245,456)</u>	<u>(5,882)</u>	<u>-</u>
Interest on Long-Term Debt	-	-	-
Total Net (Expense) Over Revenue - All Functions	<u>(2,397,156)</u>	<u>(2,327,203)</u>	<u>(5,156,668)</u>
GENERAL REVENUES			
State Equalization Guarantee	2,353,757	2,333,973	4,857,367
Property Taxes	118,664	109,065	-
Miscellaneous	27,960	-	-
Total General Revenues	<u>2,500,381</u>	<u>2,443,038</u>	<u>4,857,367</u>
Change in Net Position	<u>103,225</u>	<u>115,835</u>	<u>(299,301)</u>
Net Position, Beginning	630,887	691,051	134,532
Restatement	<u>(2,439,467)</u>	<u>(1,413,096)</u>	<u>102,013</u>
Net Position, Beginning as Restated	(1,808,580)	(722,045)	236,545
Net Position, Ending	<u>\$ (1,705,355)</u>	<u>(606,210)</u>	<u>(62,756)</u>

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<u>New Mexico International School</u>	<u>New Mexico School for the Arts</u>	<u>North Valley Academy</u>	<u>Ralph J. Bunche Academy</u>	<u>Red River Valley Charter School</u>	<u>Sage Montessori Charter School</u>
(928,838)	(1,301,166)	(2,150,207)	(6,742)	(545,104)	(996,745)
-	9,483	249	-	2,798	-
44,801	256,234	538,666	-	142,062	115,486
<u>(884,037)</u>	<u>(1,035,449)</u>	<u>(1,611,292)</u>	<u>(6,742)</u>	<u>(400,244)</u>	<u>(881,259)</u>
(654,684)	(1,048,999)	(1,069,072)	(76,425)	(343,692)	(809,741)
-	-	-	-	-	-
-	-	-	-	29,046	-
-	-	-	-	-	-
<u>(654,684)</u>	<u>(1,048,999)</u>	<u>(1,069,072)</u>	<u>(76,425)</u>	<u>(314,646)</u>	<u>(809,741)</u>
(138,350)	(271,731)	(556,773)	-	(107,356)	(138,001)
16,011	16,539	39,624	-	9,744	-
-	12,905	135,884	-	18,878	-
122,934	178,311	362,235	-	180,983	138,001
<u>595</u>	<u>(63,976)</u>	<u>(19,030)</u>	<u>-</u>	<u>102,249</u>	<u>-</u>
-	-	-	-	-	-
<u>(1,538,126)</u>	<u>(2,148,424)</u>	<u>(2,699,394)</u>	<u>(83,167)</u>	<u>(612,641)</u>	<u>(1,691,000)</u>
1,603,881	1,895,748	2,793,828	-	719,679	1,527,053
-	158,726	-	781	-	-
10,730	2,942	-	171,509	-	-
<u>1,614,611</u>	<u>2,057,416</u>	<u>2,793,828</u>	<u>172,290</u>	<u>719,679</u>	<u>1,527,053</u>
<u>76,485</u>	<u>(91,008)</u>	<u>94,434</u>	<u>89,123</u>	<u>107,038</u>	<u>(163,947)</u>
(23,809)	645,054	700,751	61,738	163,621	215,280
<u>(1,244,141)</u>	<u>(2,068,615)</u>	<u>(3,668,561)</u>	<u>(882,294)</u>	<u>(769,891)</u>	<u>(1,227,586)</u>
<u>(1,267,950)</u>	<u>(1,423,561)</u>	<u>(2,967,810)</u>	<u>(820,556)</u>	<u>(606,270)</u>	<u>(1,012,306)</u>
<u>(1,191,465)</u>	<u>(1,514,569)</u>	<u>(2,873,376)</u>	<u>(731,433)</u>	<u>(499,232)</u>	<u>(1,176,253)</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
COMBINING STATEMENT OF ACTIVITIES (CONTINUED)
DISCRETELY PRESENTED COMPONENT UNITS
For the Year Ended June 30, 2015

	School of Dreams Academy	South Valley Preparatory School	Southwest Aeronautics, Mathematics, and Science Academy
INSTRUCTION			
Expenses	\$ (1,626,094)	(826,641)	(986,397)
Program Revenues:			
Charges for Services	-	-	16,554
Operating Grants and Contributions	371,792	199,634	286,955
Net (Expense) Over Revenue - Instruction	<u>(1,254,302)</u>	<u>(627,007)</u>	<u>(682,888)</u>
SUPPORT SERVICES			
Expenses	(1,356,752)	(546,798)	(1,047,788)
Program Revenues:			
Charges for Services	-	-	-
Operating Grants and Contributions	-	-	-
Capital Grants and Contributions	-	-	-
Net (Expense) Over Revenue - Support Services	<u>(1,356,752)</u>	<u>(546,798)</u>	<u>(1,047,788)</u>
OPERATION OF NON-INSTRUCTIONAL SERVICES			
Expenses	(435,808)	(189,188)	(266,544)
Program Revenues:			
Charges for Services	-	4,880	-
Operating Grants and Contributions	-	70,900	-
Capital Grants and Contributions	410,326	90,894	149,100
Net (Expense) Over Revenue - Operation of Non-Instruction Services	<u>(25,482)</u>	<u>(22,514)</u>	<u>(117,444)</u>
Interest on Long-Term Debt	-	-	-
Total Net (Expense) Over Revenue - All Functions	<u>(2,636,536)</u>	<u>(1,196,319)</u>	<u>(1,848,120)</u>
GENERAL REVENUES			
State Equalization Guarantee	2,700,705	1,106,879	2,182,671
Property Taxes	-	44,007	81,320
Miscellaneous	3,156	-	14,492
Total General Revenues	<u>2,703,861</u>	<u>1,150,886</u>	<u>2,278,483</u>
Change in Net Position	<u>67,325</u>	<u>(45,433)</u>	<u>430,363</u>
Net Position, Beginning	895,066	206,215	647,890
Restatement	<u>(3,115,381)</u>	<u>(1,405,391)</u>	<u>(1,400,766)</u>
Net Position, Beginning as Restated	<u>(2,220,315)</u>	<u>(1,199,176)</u>	<u>(752,876)</u>
Net Position, Ending	<u>\$ (2,152,990)</u>	<u>(1,244,609)</u>	<u>(322,513)</u>

See Independent Auditors Report and Notes to Financial Statements

<u>Southwest Intermediate Learning Center</u>	<u>Southwest Primary Learning Center</u>	<u>Southwest Secondary Learning Center</u>	<u>Taos Academy</u>	<u>Taos Integrated School of Arts</u>	<u>Taos International Charter</u>
(431,713)	(455,795)	(1,031,837)	(1,351,820)	(729,210)	(317,961)
6,597	10,055	54,218	1,766	13,408	-
46,721	53,403	123,119	221,915	128,156	72,379
<u>(378,395)</u>	<u>(392,337)</u>	<u>(854,500)</u>	<u>(1,128,139)</u>	<u>(587,646)</u>	<u>(245,582)</u>
(472,724)	(421,670)	(1,131,200)	(844,415)	(525,907)	(313,990)
-	-	48,686	-	-	-
-	-	-	-	-	1,557
-	-	-	-	-	-
<u>(472,724)</u>	<u>(421,670)</u>	<u>(1,082,514)</u>	<u>(844,415)</u>	<u>(525,907)</u>	<u>(312,433)</u>
(123,024)	(77,695)	(301,364)	(147,720)	(121,072)	(88,680)
-	-	-	-	-	-
-	-	-	-	-	-
262,689	117,695	206,631	294,054	122,832	88,680
<u>139,665</u>	<u>40,000</u>	<u>(94,733)</u>	<u>146,334</u>	<u>1,760</u>	<u>-</u>
-	-	-	-	-	-
<u>(711,454)</u>	<u>(774,007)</u>	<u>(2,031,747)</u>	<u>(1,826,220)</u>	<u>(1,111,793)</u>	<u>(558,015)</u>
936,928	875,461	2,390,798	2,038,392	1,065,898	597,411
99,178	98,885	249,563	32,222	27,899	-
3,919	13,076	32,903	-	-	-
<u>1,040,025</u>	<u>987,422</u>	<u>2,673,264</u>	<u>2,070,614</u>	<u>1,093,797</u>	<u>597,411</u>
<u>328,571</u>	<u>213,415</u>	<u>641,517</u>	<u>244,394</u>	<u>(17,996)</u>	<u>39,396</u>
364,601	492,427	990,713	981,480	740,231	-
<u>(843,222)</u>	<u>(1,067,894)</u>	<u>(1,945,076)</u>	<u>(1,571,450)</u>	<u>(994,304)</u>	<u>-</u>
<u>(478,621)</u>	<u>(575,467)</u>	<u>(954,363)</u>	<u>(589,970)</u>	<u>(254,073)</u>	<u>-</u>
<u>(150,050)</u>	<u>(362,052)</u>	<u>(312,846)</u>	<u>(345,576)</u>	<u>(272,069)</u>	<u>39,396</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
COMBINING STATEMENT OF ACTIVITIES (CONTINUED)
DISCRETELY PRESENTED COMPONENT UNITS
For the Year Ended June 30, 2015

	The Learning Community Charter School	Tierra Adentro	Uplift Community School
INSTRUCTION			
Expenses	\$ (1,635)	(1,615,865)	(863,872)
Program Revenues:			
Charges for Services	-	-	-
Operating Grants and Contributions	-	248,486	104,210
Net (Expense) Over Revenue - Instruction	<u>(1,635)</u>	<u>(1,367,379)</u>	<u>(759,662)</u>
SUPPORT SERVICES			
Expenses	(148,877)	(1,098,287)	(607,387)
Program Revenues:			
Charges for Services	-	-	-
Operating Grants and Contributions	-	-	100,969
Capital Grants and Contributions	-	-	-
Net (Expense) Over Revenue - Support Services	<u>(148,877)</u>	<u>(1,098,287)</u>	<u>(506,418)</u>
OPERATION OF NON-INSTRUCTIONAL SERVICES			
Expenses	(581,873)	(288,386)	(187,256)
Program Revenues:			
Charges for Services	-	21,645	7,023
Operating Grants and Contributions	-	61,989	38,718
Capital Grants and Contributions	2,754	205,281	92,400
Net (Expense) Over Revenue - Operation of Non-Instruction Services	<u>(579,119)</u>	<u>529</u>	<u>(49,115)</u>
Interest on Long-Term Debt	-	-	-
Total Net (Expense) Over Revenue - All Functions	<u>(729,631)</u>	<u>(2,465,137)</u>	<u>(1,315,195)</u>
GENERAL REVENUES			
State Equalization Guarantee	-	2,181,253	1,145,738
Property Taxes	-	-	-
Miscellaneous	-	-	-
Total General Revenues	<u>-</u>	<u>2,181,253</u>	<u>1,145,738</u>
Change in Net Position	<u>(729,631)</u>	<u>(283,884)</u>	<u>(169,457)</u>
Net Position, Beginning	744,775	312,163	178,801
Restatement	<u>(2,251,376)</u>	<u>(2,228,162)</u>	<u>(913,120)</u>
Net Position, Beginning as Restated	(1,506,601)	(1,915,999)	(734,319)
Net Position, Ending	<u>\$ (2,236,232)</u>	<u>(2,199,883)</u>	<u>(903,776)</u>

See Independent Auditors Report and Notes to Financial Statements

Walatowa High Charter School	William W. & Josephine Dorn Charter Community School	Total Charter Schools
(527,881)	(258,224)	(69,106,333)
-	-	989,259
320,335	55,598	11,440,557
<u>(207,546)</u>	<u>(202,626)</u>	<u>(56,676,517)</u>
(443,165)	(307,952)	(53,590,134)
-	-	48,686
-	-	1,984,794
-	-	57,784
<u>(443,165)</u>	<u>(307,952)</u>	<u>(51,498,870)</u>
(115,665)	(75,765)	(18,055,672)
-	-	402,440
-	38,869	2,249,495
46,201	27,378	10,957,469
<u>(69,464)</u>	<u>(9,518)</u>	<u>(4,446,268)</u>
-	-	(43,896)
<u>(720,175)</u>	<u>(520,096)</u>	<u>(112,665,551)</u>
858,879	496,314	108,167,112
3,546	-	3,909,753
-	-	2,996,489
<u>862,425</u>	<u>496,314</u>	<u>115,073,354</u>
<u>142,250</u>	<u>(23,782)</u>	<u>2,407,803</u>
784,722	75,801	33,799,109
<u>(827,349)</u>	<u>(275,771)</u>	<u>(99,135,200)</u>
(42,627)	(199,970)	(65,336,091)
<u>99,623</u>	<u>(223,752)</u>	<u>(62,928,288)</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
COMBINING STATEMENTS OF ASSETS AND LIABILITIES - AGENCY FUND
June 30, 2015

	<u>Academy of Trade and Technology</u>	<u>ACE Leadership High School</u>	<u>AIMS at UNM</u>	<u>Albuquerque School of Excellence</u>
ASSETS				
Cash in Bank	\$ 7,450	1,693	27,066	21,157
Accounts Receivable	-	-	-	-
Total Assets	<u>\$ 7,450</u>	<u>1,693</u>	<u>27,066</u>	<u>21,157</u>
LIABILITIES				
Deposits Held for Others	\$ 7,450	1,693	27,066	21,157
Total Liabilities	<u>\$ 7,450</u>	<u>1,693</u>	<u>27,066</u>	<u>21,157</u>

See Independent Auditors Report and Notes to Financial Statements

<u>Albuquerque Sign Language Academy</u>	<u>Aldo Leopold High School</u>	<u>Alma d'arte Charter High School</u>	<u>Amy Biehl Charter School</u>	<u>Anthony Charter School</u>	<u>ASK Academy</u>
9,356	18,166	447	11,802	1,150	6,942
-	-	-	-	-	-
<u>9,356</u>	<u>18,166</u>	<u>447</u>	<u>11,802</u>	<u>1,150</u>	<u>6,942</u>
9,356	18,166	447	11,802	1,150	6,942
<u>9,356</u>	<u>18,166</u>	<u>447</u>	<u>11,802</u>	<u>1,150</u>	<u>6,942</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 COMBINING STATEMENTS OF ASSETS AND LIABILITIES - AGENCY FUND (CONTINUED)
 June 30, 2015

	Cesar Chavez Community School	Cien Aguas International School	Coral Community Charter	Cottonwood Classical Preparatory School
ASSETS				
Cash in Bank	\$ 5,329	1,201	-	-
Accounts Receivable	279	-	-	-
Total Assets	\$ 5,608	1,201	-	-
LIABILITIES				
Deposits Held for Others	\$ 5,608	1,201	-	-
Total Liabilities	\$ 5,608	1,201	-	-

See Independent Auditors Report and Notes to Financial Statements

Creative Education Preparatory Institute #1	Dream Diné Charter	East Mountain High School	Estancia Valley Classical Academy	Explore Academy	Gilbert L Sena Charter High School
7,473	-	25,921	14,925	-	19,076
-	-	-	-	-	-
<u>7,473</u>	<u>-</u>	<u>25,921</u>	<u>14,925</u>	<u>-</u>	<u>19,076</u>
<u>7,473</u>	<u>-</u>	<u>25,921</u>	<u>14,925</u>	<u>-</u>	<u>19,076</u>
<u>7,473</u>	<u>-</u>	<u>25,921</u>	<u>14,925</u>	<u>-</u>	<u>19,076</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
COMBINING STATEMENTS OF ASSETS AND LIABILITIES - AGENCY FUND (CONTINUED)
June 30, 2015

	GREAT Academy	Health Leadership High School	Health Sciences Academy	Horizon Academy West
ASSETS				
Cash in Bank	\$ 1,818	-	697	28,360
Accounts Receivable	-	-	-	-
Total Assets	\$ 1,818	-	697	28,360
LIABILITIES				
Deposits Held for Others	\$ 1,818	-	697	28,360
Total Liabilities	\$ 1,818	-	697	28,360

See Independent Auditors Report and Notes to Financial Statements

International School at Mesa del Sol	J. Paul Taylor Academy	La Academia Dolores Huerta	La Jicarita Community School	La Promesa Early Learning Center	La Resolana Leadership Academy
5,925	13	5,923	-	7,501	1,416
-	-	-	-	-	-
<u>5,925</u>	<u>13</u>	<u>5,923</u>	<u>-</u>	<u>7,501</u>	<u>1,416</u>
5,925	13	5,923	-	7,501	1,416
<u>5,925</u>	<u>13</u>	<u>5,923</u>	<u>-</u>	<u>7,501</u>	<u>1,416</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
COMBINING STATEMENTS OF ASSETS AND LIABILITIES - AGENCY FUND (CONTINUED)
June 30, 2015

	La Tierra Montessori School of the Arts and Sciences	The Masters Program	McCurdy Charter School	Media Arts Collaborative Charter School
ASSETS				
Cash in Bank	\$ 433	13,999	11,799	5,516
Accounts Receivable	-	-	62,346	-
Total Assets	\$ 433	13,999	74,145	5,516
LIABILITIES				
Deposits Held for Others	\$ 433	13,999	74,145	5,516
Total Liabilities	\$ 433	13,999	74,145	5,516

See Independent Auditors Report and Notes to Financial Statements

Mission Achievement and Success	Montessori Elementary School	New America School	New America School of Las Cruces	New Mexico Connections Academy	New Mexico International School
1,495	3,239	2,444	2,253	391	66,915
-	-	-	-	-	-
<u>1,495</u>	<u>3,239</u>	<u>2,444</u>	<u>2,253</u>	<u>391</u>	<u>66,915</u>
1,495	3,239	2,444	2,253	391	66,915
<u>1,495</u>	<u>3,239</u>	<u>2,444</u>	<u>2,253</u>	<u>391</u>	<u>66,915</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 COMBINING STATEMENTS OF ASSETS AND LIABILITIES - AGENCY FUND (CONTINUED)
 June 30, 2015

	New Mexico School for the Arts	North Valley Academy	Ralph J. Bunche Academy	Red River Valley Charter School
ASSETS				
Cash in Bank	\$ 7,790	26,826	-	-
Accounts Receivable	-	-	-	-
Total Assets	\$ 7,790	26,826	-	-
LIABILITIES				
Deposits Held for Others	\$ 7,790	26,826	-	-
Total Liabilities	\$ 7,790	26,826	-	-

See Independent Auditors Report and Notes to Financial Statements

<u>Sage Montessori Charter School</u>	<u>School of Dreams Academy</u>	<u>South Valley Preparatory School</u>	<u>Southwest Aeronautics, Mathematics, and Science Academy</u>	<u>Southwest Intermediate Learning Center</u>	<u>Southwest Primary Learning Center</u>
13,851	11,027	5,027	1,693	1,161	869
-	-	-	-	-	-
<u>13,851</u>	<u>11,027</u>	<u>5,027</u>	<u>1,693</u>	<u>1,161</u>	<u>869</u>
<u>13,851</u>	<u>11,027</u>	<u>5,027</u>	<u>1,693</u>	<u>1,161</u>	<u>869</u>
<u>13,851</u>	<u>11,027</u>	<u>5,027</u>	<u>1,693</u>	<u>1,161</u>	<u>869</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 COMBINING STATEMENTS OF ASSETS AND LIABILITIES - AGENCY FUND (CONTINUED)
 June 30, 2015

	Southwest Secondary Learning Center	Taos Academy	Taos Integrated School of Arts	Taos International Charter
ASSETS				
Cash in Bank	\$ 2,244	5,838	5,550	2,637
Accounts Receivable	-	-	-	-
Total Assets	<u><u>\$ 2,244</u></u>	<u><u>5,838</u></u>	<u><u>5,550</u></u>	<u><u>2,637</u></u>
LIABILITIES				
Deposits Held for Others	\$ 2,244	5,838	5,550	2,637
Total Liabilities	<u><u>\$ 2,244</u></u>	<u><u>5,838</u></u>	<u><u>5,550</u></u>	<u><u>2,637</u></u>

See Independent Auditors Report and Notes to Financial Statements

The Learning Community Charter School	Tierra Adentro	Uplift Community School	Walatowa High Charter School	William W. & Josephine Dorn Charter Community School	Total Charter Schools
-	51,426	385	18,305	-	493,920
-	-	-	-	-	62,625
-	51,426	385	18,305	-	556,545
-	51,426	385	18,305	-	556,545
-	51,426	385	18,305	-	556,545

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2015**

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 60 schools as reported in Volume III – XI of these financial statements.

The chief executive officer of the Department of 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 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.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity. Certain GASB statements 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 as exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The Public Education Department is considered to be a department of the State of New Mexico and is reported as such in the State of New Mexico's Comprehensive Annual Financial Report.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2015**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Management has evaluated GASB Statement No. 14, *The Financial Reporting Entity*, GASB Statement No. 39, *Determining Whether Certain Organizations Are Component Units*, and GASB Statement No. 61, *The Financial Reporting Entity: Omnibus an amendment of GASB Statements No. 14 and No. 34*, and has determined that the State Chartered Charter Schools (“Charter Schools”) meet the criteria to be presented as discretely presented component units of the State of New Mexico (the Primary Government). However, as the Department is responsible for providing regulatory oversight of the Charter Schools, including them as discretely presented component units in the financial statements of the Department is an acceptable financial statement presentation. In addition, the Department has concluded that a financial benefit or burden relationship exists as the Department is entitled to the Charter Schools resources and the Department is legally obligated or has otherwise assumed the obligation to finance the deficits of, or provide financial support to, the Charter Schools. In further support of the Department reporting the Charter Schools as discretely presented component units, a technical inquiry was submitted to the GASB which identified that, while the GASB standards do not address the accounting and financial reporting for separately issued GAAP-based departmental financial statements, consideration should be made in meeting the Departments reporting obligations and should consider long-established practice. In applying all relevant GAAP to the Departments financial statements, the Charter Schools were determined to be required for inclusion as discretely presented component units since the Charter Schools are fiscally dependent on the Department and the Department is the entity with the financial benefit or burden relationship with the Charter Schools. The following 59 Charter Schools are considered to be discretely presented component units of the Department:

- Academy of Trades and Technology
- ACE Leadership High School
- Albuquerque Institute for Math & Science
- Albuquerque School of Excellence
- Albuquerque Sign Language Academy
- Aldo Leopold High School
- Alma D’Arte Charter High School
- Amy Biehl Charter High School
- Anthony Charter School
- ASK Academy
- Cesar Chavez Community School
- Cien Aguas International School
- Coral Community Charter
- Cottonwood Classical Preparatory School
- Creative Education Preparatory Institute #1
- Dream Diné Charter School
- East Mountain High School
- Estancia Valley Classical Academy
- Explore Academy
- Gilbert L. Sena Charter High School
- Great Academy
- Health Leadership High School
- Health Sciences Academy
- Horizon Academy West
- International School at Mesa Del Sol
- J. Paul Taylor Academy

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2015**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

- La Academia Dolores Huerta
- La Jicarita Community School
- La Promesa Early Learning Center
- La Resolana Leadership Academy
- La Tierra Montessori School of the Arts and Sciences
- Masters Program
- McCurdy Charter School
- Media Arts Collaborative Charter School
- Mission Achievement and Success Charter School
- Montessori Elementary School
- New America School
- New America School of Las Cruces
- New Mexico Connections Academy
- New Mexico International School
- New Mexico School for the Arts
- North Valley Academy
- Ralph J. Bunche Academy
- Red River Valley Charter School
- Sage Montessori Charter School
- School of Dreams Academy
- South Valley Preparatory School
- Southwest Aeronautics, Mathematics, and Science Academy
- Southwest Intermediate Learning Center
- Southwest Primary Learning Center
- Southwest Secondary Learning Center
- Taos Academy
- Taos Integrated School of the Arts
- Taos International Charter School
- The Learning Community Charter School
- Tierra Adentro
- Uplift Community School
- Walatowa Charter High School
- William W. & Josephine Dorn Charter Community School

The New Mexico Public Education Commission authorizes the Charter Schools, supervise the Charter Schools and operate under the Department. Financial statement reporting includes the Charter Schools in the Department's financial statements as discretely presented component units. Additionally, Charter School foundations are considered to be blended component units of the Charter Schools and have been included as a separate fund of the Charter Schools.

The Division of Vocational Rehabilitation is a separately appropriated division of the Department.

Basic Financial Statements. The basic financial statements include both governmental-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 its 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 THE FINANCIAL STATEMENTS
June 30, 2015**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

government-wide Statement of Net Position, the governmental activities are presented on a consolidated basis and are reflected on the 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 & 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 Combining and Individual Fund Statements and Schedules section of the financial statements is a breakdown of the government-wide financial statements showing the separately appropriated Division of Vocational Rehabilitation Statement of Net Position and Statement of Activities separate from the Department. These statements are for informational purposes only and 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.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2015

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 different measurement focus and basis of accounting than the 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 government-wide presentation.

The Department's fiduciary funds are presented in separate 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. As a result, 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 are considered a separated accounting entity. The operations of each fund are accounted for which 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 follows:

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 the other funds.

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2015

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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

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

General Funds

PED General Fund (SHARE 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.

DVR General Fund (SHARE Fund #50000) - This fund accounts for all operations of the Division of Vocational Rehabilitation, 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. The DVR general fund can combine DVR SHARE fund #51900 in which the activity in this fund is comprised of a federal discretionary grant in which federal monies are provided to the State of New Mexico to provide financial assistance designed to maximize the ability of individuals of all ages with disabilities and their family members, guardians, advocates and authorized representatives to obtain assistive technology devices and assistive technology services. This program is funded entirely through federal funds and is a non-reverting fund per State Appropriation disclosure.

Special Revenue Funds

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

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2015**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Federal Department of Education Flowthrough (SHARE Fund #67300) - This fund is used to account for various grants from the United States Department of Education (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.

Special Projects (SHARE Fund #79000) - This 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.

Public School Support Flowthrough (SHARE Fund #85800) - This fund is used in the accounting for 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.

STB Capital Outlay (SHARE Fund #89200). 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) and direct appropriations funded through Severance Tax Bonds. Funds remaining after the completion of capital projects are to be reverted.

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.

The government-wide financial statements and the fiduciary 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 Position, 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.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2015**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 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 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 unearned revenue by the recipient.

Budgets and Budgetary Accounting. Per the General Appropriation Act, Laws for 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 modified accrual basis

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2015**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 unexpected 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 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 appropriation request includes proposed expenditures and the means of financing them.
- 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, 2014 have been so adjusted.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2015**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

- 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 following funds were not budgeted in the fiscal year ended June 30, 2015 because there were no associated expenditures with them:

- Adult Basic Education (SHARE Fund #45800)
- Charter School Stimulus (SHARE Fund #47000)
- Reading Materials (SHARE Fund #58600)
- School Library (SHARE Fund #66900)
- State Support Reserve (SHARE Fund #85700)
- DVR ARRA Fund (DVR SHARE Fund #89000)
- Public School Capital Outlay (SHARE Fund #63500)
- Special Capital Outlay Severance Tax Bonds 2000 (SHARE Fund #81300)

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 expended and unencumbered balances revert to the State General Fund. See Note 16 for specific funds subject to annual reversion to State General Fund.

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.

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 fund balance sheets. Short-term inter-fund loans are classified as “inter-fund receivables/payables”.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2015**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Federal Grants Receivables. Amounts listed as Federal grants receivable are reimbursements due for pass through 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 returned, the advances are considered full collectible.

Capital Assets. Equipment, software and computer equipment purchases 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 the 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 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.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2015**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Compensated Absences Payable. Accrued vacation up to 240 hours is recorded in the Statement of Net Position at 100% of the employee's hourly wage. In additions, accrued sick leave over 600 and up to 720 hours less the amount classified as current is recorded in the Statement of Net Position 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 over time hour. The accrual for compensated absences is calculated at pay rates in effect at June 30, 2014, and includes direct and incremental salary related payments, such as the employees' share of social security taxes.

Fund Balances. In the governmental fund financial statements, fund balances are classified as nonspendable, restricted, or unrestricted (committed, assigned, or unassigned). Restricted represents those portions of fund balance where constraints placed on the resources are either externally imposed or imposed by law through constitutional provisions or enabling legislation.

Committed fund balance represents amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Legislative and Executive branches of the State. Assigned fund balance is constrained by the Legislature's and Executive Branch's intent to be used for specific purposes or in some cases by legislation.

When an expenditure is incurred for purposes for which both restricted and unrestricted (committed, assigned or unassigned) resources are available for use, it is the Department's policy to use restricted resources first and then unrestricted resources. Any residual balances are classified using the default policy for unrestricted fund balance: committed amounts would be used first, followed by assigned amounts, and then unassigned amounts.

Net Position. The government-wide financial statements utilize a net position presentation. The net position is categorized as an investment in capital assets, restricted and unrestricted.

Investment in Capital Assets - is intended to reflect the portion of net position which is associated with non-liquid, capital assets less outstanding capital asset related debt. The Department did not have any related debt during the year ended in June 30, 2015.

Restricted Net Position - 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 position at June 30, 2015.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2015

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Unrestricted Net Position - represents the excess of total assets over liabilities and investment in capital assets at June 30, 2015.

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 consideration.

Services provided, deemed to be at market value, are treated as revenues and expenditures. Reimbursements are when a fund incurs a cost, charges at 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.

Uses 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.

Unearned 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, unearned revenue balances represent an overdraw of cash (advances) in excess of modified accrual bases expenditures. Generally, receivable or unearned 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.

Deferred Outflows/Inflows of Resources. In addition to assets, the Statement of Financial Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. Also, in addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. At June 30, 2015, the Department reported no

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2015**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

deferred outflows or inflows of resources while its discretely presented component units reported deferred outflows and inflows of resources as a result of the implementation of GASBS No. 68, *Accounting and Financial Reporting for Pensions*.

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 not 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 of New Mexico's Controller's Office. The CAFR can be obtained by contacting the State Controller at the Bataan Memorial Building, Santa Fe, New Mexico 87501.

NOTE 2. STATE GENERAL FUND INVESTMENT POOL NOT RECONCILED

Compliant with statute 6-10-3 (NMSA 1978), and to optimize state cash management and investment practices, funds of various state agencies are deposited in the State General Fund Investment Pool (SGFIP). This pool is managed by the New Mexico State Treasurer's Office (STO). Claims on the SGFIP are reported as financial assets by the various agencies investing in the SGFIP.

Agency claims against the SGFIP and fiduciary resources held at STO to fulfill those claims were not reconciled from the inception of SHARE (the State's centralized accounting system), in July 2006, through January 2013, which caused uncertainty as to the validity of the claims and the ability of fiduciary resources to fulfill those claims. As a result of business process and systems configuration changes made during the Cash Management Remediation Project Phase I the Department of Finance and Administration's Financial Control Division began reconciling transactional activity reported by the State's fiscal agent bank to the SHARE general ledger on a point-forward basis beginning February 1, 2013. In March 2015, the Financial Control Division implemented a reconciliation process that compares statewide agency claims against the resources held in the SGFIP at STO. This process is known as the claims to resources reconciliation. The claims to resources reconciliation process has been successfully applied to calendar year-end 2014 and the months from January 2015 through June 2015. While work remains, the results are encouraging and the following assertions can be made:

1. The difference between statewide agency claims against the SGFIP and fiduciary resources held at STO to fulfill those claims has remained within a relatively narrow range over the periods in which the reconciliation process has been used;

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2015**

NOTE 2. STATE GENERAL FUND INVESTMENT POOL NOT RECONCILED (CONTINUED)

2. Agency claims on the SGFIP will be honored in their entirety. Any adjustment necessary to the claims balance will be applied against the General Operating Reserve. No portion of the adjustment shall be allocated to any specific agency that participates in the SGFIP.

As part of the Department's cash controls, all incoming funds and outgoing disbursements are tracked to ensure transactions are properly entered into SHARE and post to the general ledger. Additionally, at year-end the Department performs a cash analysis on all funds to ensure the activity affecting the cash accounts properly reflect the ending balances at year-end. The Department also does not issue third party disbursements that may materially affect the Department's financial statements.

NOTE 3. INTEREST IN THE STATE GENERAL FUND INVESTMENT POOL

State law (Section 8-6-3 NMSA 1978) requires the Department's cash be managed by the New Mexico State Treasurer's Office. Accordingly, the investments of the Department consist of an interest in the General Fund Investment Pool managed by the New Mexico State Treasurer's Office.

At June 30, 2015 the Department had the following interest in the State General Fund Investment Pool:

Investment in State General Fund Investment Pool - Primary Government	\$131,981,130
Investment in State General Fund Investment Pool - Agency Fund	\$ 7,379,919
Investment in State General Fund Investment Pool - Private Purpose Trust	\$ 45,046

Interest Rate Risk. The New Mexico State Treasurer's Office has an investment policy that limits investment maturities to five years or less on allowable investments. This policy is means of managing exposure to fair value losses arising from increasing interest rates. This policy is reviewed and approved annually by the New Mexico State Board of Finance.

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The General Fund Investment Pool is not rated for credit risk.

Custodial Credit Risk. 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

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
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June 30, 2015**

NOTE 3. INTEREST IN THE STATE GENERAL FUND INVESTMENT POOL (CONTINUED)

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 grants. Cash overdrafts listed as due to State General Fund Investment Pool are shown below.

Investment in State General Fund Investment Pool - Overdraft \$5,547,369

For further information regarding the State General Fund Investment Pool, please see the State Treasurer's annual audit report and specifically refer to the GASB 40 disclosure of the investments. That report may be obtained by writing to the New Mexico State Treasurer's Office, P.O. Box 608, Santa Fe, NM 87504-0708.

NOTE 4. CASH AND INVESTMENTS

The Eva Lou Kelly Scholarship trust fund has a certificate of deposit with a local bank. The certificate matures February 19, 2016. The interest rate is 0.7%, payable monthly. The certificate is fully insured by the FDIC and in the name of the trust fund. Market value approximates cost.

Washington Federal Savings, Santa Fe, NM	
Certificate of Deposit	\$ 20,000
FDIC Insurance	<u> (20,000)</u>
Uninsured Amount	<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.

NOTE 5. 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, 2015 consists of the following:

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PUBLIC EDUCATION DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2015

NOTE 5. DUE FROM STATE AGENCIES (CONTINUED)

Share Fund No.	Agency	Other Agency No.	Amount
05700	Department of Finance and Administration (DFA)	34100	\$ 7,653
50000	Department of Health (DOH)	66500	14,864
20550	Department of Finance and Administration (DFA)	34100	2
51300	Taxation and Revenue Department (TRD)	33300	120
56800	State Treasurer's Office (STO)	39400	4
67200	Department of Finance and Administration (DFA)	34100	52,147
79000	Department of Finance and Administration (DFA)	34100	36,000,000
89200	Department of Finance and Administration (DFA)	34100	<u>21,652,926</u>
Total Due from Other State Agencies			\$ <u>57,727,716</u>

NOTE 6. DUE TO OTHER STATE AGENCIES

Total due to other state agencies at June 30, 2015 is as follows:

Share Fund No.	Agency	Other Agency No.	Amount
05700	Educational Retirement Board	35200	\$ 105,620
00500	Department of Finance and Administration	34100	56
50000	Department of Public Safety	79000	1,809
67200	Department of Military Affairs	70500	6,000
67200	Children, Youth and Families Department	69000	32,553
81600	New Mexico State Board of Finance	34100	24,347
84400	Attorney General's Office	30500	55,397
84400	Children, Youth and Families Department	69000	3,089,835
84400	Department of Health	66500	<u>399,228</u>
Total			\$ <u>3,714,845</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2015

NOTE 7. INTERFUND BALANCES

The following is an analysis of amounts shown as due from and due to other funds at June 30, 2015:

<i>Amounts Due from Other Funds</i>		<i>Amounts Due to Other Funds</i>	
<u>Share Fund No.</u>	<u>Amount</u>	<u>Share Fund No.</u>	<u>Amount</u>
57300	\$ 5,118,458	79000	\$ 5,118,458
88900	600	20550	600
56200	4,005	84400	4,005
67200	186,187	67400	186,187
	<u>\$ 5,309,250</u>		<u>\$ 5,309,250</u>

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

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2015**

NOTE 8. CAPITAL ASSETS

A summary of changes in capital assets at June 30, 2015 is as follows:

	Balance June 30, 2014	Adjustment Additions	Deletions	Balance June 30, 2015
PED:				
Equipment	\$ 4,441,742	261,690	(3,313,684)	1,389,748
Art Acquisitions	5,800	-	-	5,800
Total PED	<u>4,447,542</u>	<u>261,690</u>	<u>(3,313,684)</u>	<u>1,395,548</u>
DVR/DDS:				
Equipment	<u>1,075,690</u>	<u>92,743</u>	<u>-</u>	<u>1,168,433</u>
Total Department:				
Equipment	5,517,432	354,433	(3,313,684)	2,558,181
Art Acquisitions	5,800	-	-	5,800
Subtotal	<u>5,523,232</u>	<u>354,433</u>	<u>(3,313,684)</u>	<u>2,563,981</u>
Accumulated Depreciation:				
PED- Equipment	(4,340,122)	(55,855)	3,313,684	(1,082,293)
DVR/DDS- Equipment	(912,536)	(63,916)	-	(976,452)
Subtotal	<u>(5,252,658)</u>	<u>(119,771)</u>	<u>3,313,684</u>	<u>(2,058,745)</u>
Total	<u>\$ 270,574</u>	<u>234,662</u>	<u>-</u>	<u>505,236</u>

Depreciation expenses were charged to functions in the Department for the year ended June 30, 2015 are as follows:

Public Education Department	
Education	\$ 55,855
Division of Vocational Rehabilitation	
Health and Welfare	<u>63,916</u>
Total Department	<u>\$ 119,771</u>

NOTE 9. COMPENSATED ABSENCES

A summary of changes in compensated absences for the year ended June 30, 2015 is as follows:

	Balance June 30, 2014	Increase	Deletions	Balance June 30, 2015	Current Portion
PED	\$ 662,377	840,172	(779,595)	722,954	722,954
DVR/DDS	<u>579,655</u>	<u>1,123,723</u>	<u>(1,071,940)</u>	<u>631,438</u>	<u>631,438</u>
Total	<u>\$ 1,242,032</u>	<u>1,963,895</u>	<u>(1,851,535)</u>	<u>1,354,392</u>	<u>1,354,392</u>

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2015**

NOTE 9. COMPENSATED ABSENCES (CONTINUED)

PED compensated absences are typically liquidated with SHARE fund No. 05700 and No. 84400 resources. DVR/DDS compensated absences are typically liquidated with SHARE fund No. 50000 and No. 50100 resources. These compensated absences balances are paid within one year.

NOTE 10. SPECIAL, SUPPLEMENTAL, AND DEFICIENCY APPROPRIATIONS

A summary of the Special appropriations included in fund 79000 is as follows:

<u>PED</u>	<u>Appropriation Period</u>	<u>Appropriation Amount</u>	<u>Expenditure to Date</u>	<u>Reserve Fund Balance</u>	<u>Remaining Balance to Expend</u>
Laws 2013, Chapter 227, Sec. 5 & 6	2013-2015	\$ 3,400,000	(3,400,000)	-	-
Laws 2013, Chapter 227, Sec. 5 & 6	2013-2015	5,800,000	(5,800,000)	-	-
Laws 2013, Chapter 227, Sec. 5 & 6	2013-2015	100,000	(100,000)	-	-
Laws 2013, Chapter 227, Sec. 5 & 6	2013-2015	5,200,000	(5,200,000)	-	-
Laws 2013, Chapter 227, Sec. 5 & 6	2013-2015	2,000,000	(2,000,000)	-	-
Laws 2013, Chapter 227, Sec. 5 & 6	2013-2015	1,500,000	(1,500,000)	-	-
Laws 2014, Chapter 63, Sec. 5, Item 72	2014-2016	2,500,000	(2,474,301)	-	25,699
Laws 2014, Chapter 63, Sec. 5, Item 73	2014-2016	3,000,000	(2,862,848)	-	137,152
Laws 2014, Chapter 63, Sec. 5, Item 74	2014-2016	5,000,000	(5,000,000)	-	-
Laws 2014, Chapter 63, Sec. 5, Item 75	2014-2016	3,000,000	(3,000,000)	-	-
Laws 2014, Chapter 63, Sec. 5, Item 76	2014-2016	100,000	(66,981)	-	33,019
Total 2015 Prior to MOE		<u>31,600,000</u>	<u>(31,404,130)</u>	-	<u>195,870</u>
Special and Deficiency Appropriations - Maintenance of State Financial Support (MOE)					
Laws 2013, Chapter 227, Sec. 5 & 6	2013-2015	20,000,000	(16,881,452)	(3,118,548)	-
Laws 2013, Chapter 227, Sec. 4 & 5	2013-2014	10,000,000	-	-	10,000,000
Laws 2013, Ch. 191	Non-Reverting	36,000,000	-	-	36,000,000
Laws 2014, Chapter 63, Sec. 5	2014-2015	3,000,000	-	(3,000,000)	-
Total 2015 MOE		<u>69,000,000</u>	<u>(16,881,452)</u>	<u>(6,118,548)</u>	<u>46,000,000</u>
Total 2015		<u>\$ 100,600,000</u>	<u>(48,285,582)</u>	<u>(6,118,548)</u>	<u>46,195,870</u>

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
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**NOTE 10. SPECIAL, SUPPLEMENTAL, AND DEFICIENCY APPROPRIATIONS
(CONTINUED)**

SPECIAL APPROPRIATIONS - HOUSE BILL 2

\$2,500,000 To the teacher professional development fund for professional development and training on implementation of common core state standards. The appropriation is from the separate account of the appropriation contingency fund dedicated for the purpose of implementing and maintaining educational reforms created in Section 12 of Chapter 114 of Laws 2004.

\$3,000,000 For emergency support to school districts experiencing shortfalls. All requirements for distribution of funds shall be in accordance with Section 22-8-30 NMSA 1978. Notwithstanding the provisions of Section 66-5-44 NMSA 1978 or other substantive law, the other state funds appropriation is from balances received by the public education department pursuant to Section 66-5-44 NMSA 1978.

\$5,000,000 To the instructional material fund. The general fund appropriation is from the separate account of the appropriation contingency fund dedicated for the purpose of implementing and maintaining educational reforms created in Section 12 of Chapter 144 of Laws 2004. The other state funds appropriation includes ninety-seven thousand four hundred fifteen dollars (\$97,415) from the educational technology deficiency correction fund, six hundred seventy-eight thousand seven hundred five dollars (\$678,705) from the educational technology fund and seven hundred twenty-three thousand eight hundred eighty dollars (\$723,880) from the schools in need of improvement fund.

\$3,000,000 To ensure the state makes sufficient funds available in fiscal years 2014 and 2015 to meet the special education maintenance-of-effort requirements pursuant to the federal Individuals with Disabilities Education Act. For fiscal year 2014, if the appropriations contained in Subsection K of Section 4 of Chapter 227 of Laws 2013, the twenty million dollar (\$20,000,000) appropriation contained in Paragraph 73 of Section 5 of Chapter 227 of Laws 2013, the sixteen million dollar (\$16,000,000) transfer authorized in Subsection K of Section 4 of Chapter 227 of Laws 2013 and the sixteen million dollar (\$16,000,000) appropriation made pursuant to Chapter 191 of Laws 2013 are insufficient to meet the level of state support, the public education department may distribute to school districts and charter schools the amount of this appropriation necessary to meet maintenance-of-effort requirements in fiscal year 2014. For fiscal year 2015, if the appropriation to the state equalization guarantee distribution contained in Subsection K of Section 4 of the General Appropriation Act of 2014 is insufficient to meet the level of state support required, the public education department may distribute to

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PUBLIC EDUCATION DEPARTMENT
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**NOTE 10. SPECIAL, SUPPLEMENTAL, AND DEFICIENCY APPROPRIATIONS
(CONTINUED)**

school districts and charter schools the amount of this appropriation necessary to meet maintenance-of-effort requirements in fiscal year 2015. Any distribution made from this appropriation shall be made in the same manner and on the same basis as the state equalization guarantee distribution.

\$100,000 For a nonprofit educational association whose principal purpose is the regulation, direction, administration and supervision of interscholastic activities in New Mexico to increase participation in student activities and athletics statewide and study how athletics and activities affect student academic performance.

Per the 2012 Laws, Chapter 19, the Division of Vocational Rehabilitation received a special appropriation to match with federal funds to support and enhance deaf and hard of hearing rehabilitation services.

	Appropriation Period	Appropriation Amount	Expenditure Date	Reserve fund Balance	Remaining Balance To Expend
Laws of 2014, Chapter 63, Sec. 4	2015	\$ <u>466,000</u>	<u>466,000</u>	<u>-</u>	<u>-</u>

NOTE 11. 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.

The State did not meet its required level of financial support for the Special Education Cluster of programs for fiscal years 2011 and 2012. As a result, the Department may have a one-time reduction of future federal funding. Management’s estimate of the potential one-time reduction in federal funding ranges from \$0 to \$63,491,592.

The MOE shortfall for fiscal years 2011 is under appeal and is currently still undergoing final determination of MOE by the U.S. Department of Education at June 30, 2014. Concerning the potential shortfall of MOE the Department has booked any potential liabilities in accordance GAAP and GASB. In FY2015, the Department believes it has fully funded its MOE.

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NOTE 11. COMMITMENTS AND CONTINGENCIES (CONTINUED)

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.

The following is the list of pending or threatened litigated cases:

1. Zuni Public School District v. NMPED, D-1113-CV-201000276 (11th Judicial District Court)
 - a. In April 2010, the Department was sued for improperly taking credits against the receipt of federal impact aid funds before the Department received its annual certification that it had met disparity testing per 20 USC §7709(b). The Department is being represented by outside counsel and plans to contest the case vigorously because Department believes the Plaintiff suffered no damages. While the potential exposure is large, the probability of an unfavorable outcome is low because the Plaintiff and prospective plaintiffs suffered no damages. NMPED prevailed on its motion for summary judgment, and the matter is pending on appeal.
2. In re NM (MSFS Administrative Appeal), 13-41-0 (Before the United States Department of Education)
 - a. This is an appeal of USDE's refusal to grant a waiver to New Mexico of the MSFS requirements under IDEA, disputing the calculation methodology for MSFS and the application of the flexibility to the MSFS requirement provided by 300.230. No judgment would result in damages against the Department.
3. Yazzie v. NM, D-1113-CV-2014-00116; Martinez v. NM, D-101-CV-2014-00793 (Consolidated in 1st Judicial District Court)
 - a. The Department was named as a party in two constitutional challenges to educational funding. The cases are currently in discovery. The Department is represented by private counsel and intends to contest the case vigorously. No judgment would result in damages against the Department.
4. AFTERMATH v. Skandera and PED, D-202-CV-2015-05001 (2nd Judicial District Court)
 - a. The Department was sued by a community based organization alleging breach of contract. The case is currently in discovery. The Department intends to vigorously contest the case. The risk of an adverse decision is low.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
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June 30, 2015**

NOTE 11. COMMITMENTS AND CONTINGENCIES (CONTINUED)

5. Davis v. Cesar Chavez Community School, D-101-CV-2014-00136 (1st Judicial District Court)
 - a. The Department was named in a lawsuit regarding an incident that occurred at a state-authorized charter school. The Department is represented by outside counsel and intends to vigorously contest the case. The risk of an adverse decision is low.

6. Rosella Varela, et. al., v. Eva Valdez, et. al., D-101-CV-2015-00779 (1st Judicial District Court)
 - a. The Department was named in a lawsuit regarding a school bus accident. The Department is represented by outside counsel and intends to vigorously contest the case. The Department has filed dispositive motions in the matter. The risk of an adverse decision is low.
 - b.

7. Mares v. NMPED, D-101-CV-2015-00838 (1st Judicial District Court)
 - a. The Department was named in a lawsuit alleging employment discrimination by a former employee. The Department is being represented by outside counsel. The case is currently in discovery. The Department is vigorously defending the case.

State authorized chartered schools debt. If state authorized chartered schools debts become in violation of debt covenant 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.

Lease Commitments. The Department has commitments for office space and equipment under operating lease agreements. Lease terms for office space range from one to 11 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, 2015, totaled \$2,739,409. Future minimum lease payments are as follows and are based on the actual lease terms and have not been discounted:

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PUBLIC EDUCATION DEPARTMENT
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June 30, 2015

NOTE 11. COMMITMENTS AND CONTINGENCIES (CONTINUED)

Year Ending June 30,	PED	DVR/DDS	Total
2016	315,892	2,527,676	2,843,568
2017	315,892	2,521,312	2,837,204
2018	315,892	2,326,140	2,642,032
2019	315,892	1,637,012	1,952,904
2020	315,892	706,110	1,022,002
2021-2025	1,417,129	334,360	1,751,489
Total	\$ 2,996,589	10,052,610	13,049,199

NOTE 12. PENSION PLAN – PUBLIC EMPLOYEES RETIREMENT ASSOCIATION AND EDUCATIONAL RETIREMENT BOARD

Compliant with the requirements of Government Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions*, the State of New Mexico has implemented the standard for the fiscal year ending June 30, 2015.

The Department, as part of the primary government of the State of New Mexico, is a contributing employer to two cost-sharing multiple employer defined benefit pension plans administered by the Public Employees Retirement Association (PERA) and Educational Retirement Board (ERB). Disclosure requirements for governmental funds apply to the primary government as a whole, and as such, this information will be presented in the Component Appropriation funds Annual Financial Report (General Fund) and the Comprehensive Annual Financial Report (CAFR) of the State of New Mexico.

The information concerning the net pension liability, pension expense, and pension-related deferred inflows and outflows of the primary government will be contained in the General Fund and the CAFR and will be available, when issued, from the Office of the State Controller, Room 166, Bataan Memorial Building, 407 Galisteo Street, Santa Fe, New Mexico 87501.

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PUBLIC EDUCATION DEPARTMENT
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NOTE 13. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (DISCRETELY PRESENTED COMPONENT UNITS)

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

ERB issues a publicly available financial report and a comprehensive annual financial report that can be obtained at www.nmerb.org.

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

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

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

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

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PUBLIC EDUCATION DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
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NOTE 13. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (DISCRETELY PRESENTED COMPONENT UNITS) (CONTINUED)

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

A member is eligible for a disability benefit provided (a) he or she has credit for at least 10 years of service, and (b) the disability is approved by ERB. The monthly benefit is equal to 2% of FAS times years of service, but not less than the smaller of (a) one-third of FAS or (b) 2% of FAS times year of service projected to age 60. The disability benefit commences immediately upon the member's retirement. Disability benefits are payable as a monthly life annuity, with a guarantee that, if the payments made do not exceed the member's accumulated contributions, determined as of the date of retirement, the balance will be paid in a lump sum to the member's surviving beneficiary. If the disabled member survives to age 60, the regular optional forms of payment are then applied. A member with five or more years of earned service credit on deferred status may retire on disability retirement when eligible under the Rule of 75 or when the member attains age 65.

Contributions. See the individual discretely presented component units notes to the financial statements in volumes 3 through 11 for contribution requirements of defined benefit plan members as established in state statute under Chapter 10, Article 11, NMSA 1978.

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June 30, 2015

NOTE 13. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (DISCRETELY PRESENTED COMPONENT UNITS) (CONTINUED)

Pension liabilities, pension expense, and deferred outflows of resources and deferred inflows of resources related to pensions. See the individual discretely presented component units notes to the financial statements in volumes 3 through 11 for disclosure of each charter schools net pension liability, related pension expense, deferred outflows of resources and deferred inflows of resources.

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

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

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

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

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June 30, 2015**

NOTE 13. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (DISCRETELY PRESENTED COMPONENT UNITS) (CONTINUED)

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

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

Asset Class	2014 Long-Term Expected Real Rate of Return	2013 Long-Term Expected Real Rate of Return
Cash	1.50%	0.75%
Treasuries	2.00%	1.00%
IG Corp Credit	3.50%	3.00%
MBS	2.25%	2.50%
Core Bonds	2.53%	2.04%
TIPS	2.50%	1.50%
High Yield Bonds	4.50%	5.00%
Bank Loans	5.00%	5.00%
Global Bonds (Unhedged)	1.25%	0.75%
Global Bonds (Hedged)	1.38%	0.93%
EMD External	5.00%	4.00%
EMD Local Currency	5.75%	5.00%
Large Cap Equities	6.25%	6.75%
Small/Mid Cap	6.25%	7.00%
International Equities (Unhedged)	7.25%	7.75%
International Equities (Hedged)	7.50%	8.00%
Emerging International Equities	9.50%	9.75%

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PUBLIC EDUCATION DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2015

NOTE 13. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (DISCRETELY PRESENTED COMPONENT UNITS) (CONTINUED)

Asset Class (Continued)	2014 Long-Term Expected Real Rate of Return (Continued)	2013 Long-Term Expected Real Rate of Return (Continued)
Private Equity	8.75%	9.00%
Private Debt	8.00%	8.50%
Private Real Assets	7.75%	8.00%
Real Estate	6.25%	6.00%
Commodities	5.00%	5.00%
Hedge Funds Low Vol	5.50%	4.75%
Hedge Funds Mod Vol	5.50%	6.50%

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

Sensitivity of each discretely presented component unit’s proportionate share of the net pension liability to changes in the discount rate. See the individual discretely presented component units notes to the financial statements in volumes 3 through 11 for disclosure of sensitivity to each charter school’s proportionate share of its net pension liability to changes in the discount rate.

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

Payables to pension plan. See the individual discretely presented component units notes to the financial statements in volumes 3 through 11 for disclosure on pension plan payables.

**STATE OF NEW MEXICO
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NOTE 14. OTHER POST-EMPLOYEMENT 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's contributions shall become the period of time between the employer's effective date and the date of retirement; 2) retirees defined by the act who retired prior to July 1, 1990; 3) former legislators who served at least two years; and 4) former governing authority members who served at least four years.

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

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

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NOTE 14. OTHER POST-EMPLOYEMENT BENEFITS – STATE RETIREE HEALTH CARE PLAN (CONTINUED)

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

The Retiree Health Care Act (Section 10-7C-15 NMSA 1978) is the statutory authority that establishes the required contributions of participating employers and their employees. In the fiscal year ending June 30, 2014, the statute required each participating employer to contribute 2.5% of each participating employee's annual salary each participating employee was required to contribute 1.25% of their salary. In addition, pursuant to Section 10-7C-15(G) NMSA 1978, at the first session of the Legislature following July 1, 2013, the legislature shall review and adjust the distributions pursuant to Section 7-1-6.1 NMSA 1978 and the employer and employee contributions to the authority in order to ensure the actuarial soundness of the benefits provided under the Retiree Health Care Act.

The Department's contributions to the RHCA for the years ended June 30, 2015, 2014 and 2013 were \$489,772, \$437,947 and \$424,757, respectively, which equal the required contributions for each year.

NOTE 15. 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
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NOTE 15. RISK MANAGEMENT (CONTINUED)

At June 30, 2015, 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.

NOTE 16. REVERSIONS

The following activity for reversions to the State General Fund occurred during fiscal year ended June 30, 2015:

Fund	Revisions Payable June 30, 2014	Paid to State General Fund During FY 15	FY 15 Additions to Reversions Payable	Reversions Payable June 30, 2015	Paid to State General Fund During FY 16*
05700	\$ 322,958	322,958	40,380	40,380	23,043
79000	2,385,734	2,385,734	6,343,811	6,343,811	6,234,708
81800	-	-	36,620	36,620	-
85800	10,263,191	10,263,191	14,259,323	14,259,323	14,259,323
93100	-	-	34,680	34,680	-
Total	\$ 12,971,883	12,971,883	20,714,814	20,714,814	20,517,074

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. A total of \$12,971,883 was paid to the State General Fund during the year. \$20,714,814 is payable at June 30, 2015 and due by September 30, 2014; this payable may be adjusted within 45 days of the release of this audit by the New Mexico Office of the State Auditor.

*See finding 2013-005 within volume 2 related to the reported finding for untimely reversions of \$197,740.

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NOTE 17. NON-MAJOR SPECIAL REVENUE AND CAPITAL PROJECT FUNDS

SHARE

Fund #

SPECIAL REVENUE FUNDS

- 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.
- 11420 K-3 Plus. The purpose of this fund is to provide funding for additional educational time for students in the kindergarten through third grade. K-3 plus shall be administered by the department and shall provide the funding for approved full-day kindergarten and grades 1-3 to be extended by at least 25 instructional days beginning up to two months earlier than the regular school year (22-13-28 NMSA 1978). Appropriations to this fund do not revert at the end of the appropriation period.
- 20160 Educational Technology Deficiency 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 § 22-15A11). Appropriations to this fund do not revert to another fund at the end of the appropriation period.
- 20550 School Transportation Training. The “school transportation training fund” is created in the state treasury. The fund consists of payments from school districts and charter schools for school transportation training workshops and other school transportation training described in rule provided by the public education department, income from investment of the fund and money otherwise accruing to the fund. Money in the fund shall not revert to any other fund at the end of a fiscal year (22-2-22 NMSA 1978).
- 20570 Independent Living Services. This fund was created under Section 6-3-23 through 6-3-25 NMSA 1978 to build FY15 agency budget in SHARE to mirror revenue appropriated by other acts of legislature. In previous fiscal years, Independent Living Services was combined within the Rehabilitation Services Program (Fund 50000) and in order for transparency purposes NMDVR separated it and created the new fund 20570.

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NOTE 17. NON-MAJOR SPECIAL REVENUE AND CAPITAL PROJECT FUNDS
(CONTINUED)

SHARE
Fund #

SPECIAL REVENUE FUNDS (CONTINUED)

30800	<u>Private Grants.</u> This fund was created to receive private education grants to enhance skills of educators and to support education initiatives to benefit students and innovation in the classroom.
33400	<u>Family Youth.</u> 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	<u>Educator Certification.</u> 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	<u>Adult Basic Education.</u> 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	<u>Charter School Stimulus.</u> 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.
51300	<u>Pre-Kindergarten.</u> 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.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2015

NOTE 17. NON-MAJOR SPECIAL REVENUE AND CAPITAL PROJECT FUNDS
(CONTINUED)

SHARE
Fund #

SPECIAL REVENUE FUNDS (CONTINUED)

56200	<u>Professional Development.</u> The Teacher Professional Development Fund is to provide professional development programs and projects for public school teachers (NMSA 1978, 228-45). Appropriations to this fund do not revert to another fund at the end of the appropriation period.
56800	<u>Incentive for School Improvement.</u> Incentives 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 22-2C10). Appropriations to this fund do not revert to another fund at the end of the appropriation period.
58600	<u>Reading Materials.</u> 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	<u>Indian Education Act.</u> 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	<u>Kindergarten Plus.</u> 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	<u>Instructional Materials Adoption.</u> 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 THE FINANCIAL STATEMENTS
June 30, 2015

NOTE 17. NON-MAJOR SPECIAL REVENUE AND CAPITAL PROJECT FUNDS
(CONTINUED)

SHARE
Fund #

SPECIAL REVENUE FUNDS (CONTINUED)

66200	<u>Education Technology.</u> 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	<u>School Library.</u> 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	<u>Federal Food Services.</u> 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.
67400	<u>Vocational Education Flowthrough.</u> This fund accounts for federal grant funds for vocational education. This is a non-reverting fund.
72500	<u>Public Building Energy Efficiency Act.</u> Public Building Energy Efficiency Act is 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.
84400	<u>Federal Department of Education Administration.</u> The Federal Department 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.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2015

NOTE 17. NON-MAJOR SPECIAL REVENUE AND CAPITAL PROJECT FUNDS
(CONTINUED)

SHARE
Fund #

SPECIAL REVENUE FUNDS (CONTINUED)

- 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. 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.
- 89000 PED American Recovery and Reinvestment Act (ARRA). 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.
- 89000 DVR American Recovery and Reinvestment Act (ARRA). 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.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2015

**NOTE 17. NON-MAJOR SPECIAL REVENUE AND CAPITAL PROJECT FUNDS
(CONTINUED)**

SHARE
Fund #

CAPITAL PROJECTS FUNDS

63400	<u>Public School Capital Improvements.</u> 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	<u>Public School Capital Outlay.</u> 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, 5 22-24-1 and 22-254-6). Funds remaining after the completion of capital projects are to be reverted.
81300	<u>Special Capital Outlay — Severance Tax Bonds (2000).</u> 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	<u>Special Capital Outlay — Severance Tax Bonds (2004).</u> 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	<u>Special Capital Outlay — General Fund.</u> 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.
93100	<u>General Fund Capital Outlay.</u> The fund accounts for direct general fund appropriations for special capital outlay projects. Funds remaining after the completion of capital projects are to be reverted.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2015

NOTE 18. TRANSFERS IN AND TRANSFERS OUT

Interagency Transfers

From (Agency)	To (Fund)	Description	Amount
DFA (34100)	PED (05700)	FY15 General Fund Compensation	\$ 208,718
DFA (34100)	DVR (50000)	FY15 General Fund Compensation	514,800
DFA (34100)	DVR (20570)	FY15 General Fund Compensation	1,300
Total Interagency Transfer In			\$ 724,818

From (Fund)	To (Agency)	Description	Amount
PED (84400)	DOH (66500)	Reimbursement of Expenditures for Race to the Top Program	\$ 1,119,028
PED (84400)	CYFD (69000)	Reimbursement of Expenditures for Race to the Top Program	7,846,103
PED (85600)	NMHED (9500)	Instructional Materials for Adult Basic Education	275,024
Total Interagency Transfers Out			\$ 9,240,155

Interfund Transfers

From Fund	To Fund	Description	Amount
57300	79000	Special Appropriation Laws of 2014, Chapter 63, Section 5	\$ 2,000,000
50000	20570	Establish Balances in New Independent Living Fund	575,973
66200	85600	Special Appropriation Laws of 2014, Chapter 63, Section 5	678,705
20160	85600	Special Appropriation Laws of 2014, Chapter 63, Section 5	97,415
00500	85600	Special Appropriation Laws of 2014, Chapter 63, Section 5	723,880
Total Interfund Transfers			\$ 4,075,973

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2015

NOTE 19. GOVERNMENTAL FUND BALANCES - RESTRICTED AND COMMITTED

The Department's fund balances represent: (1) Restricted Purposes which include balances that are legally restricted for specific purposes due to constraints that are externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; (2) Committed Purposes, which include balances that can only be used for specific purposes pursuant to constraints imposed by formal action of the Legislative and Executive branches. A summary of the nature and purpose of these reserves by fund type at June 30, 2015, follows:

<u>Fund/ Program</u>	<u>Laws</u>	<u>Committed Purpose</u>	<u>Restricted Purpose</u>
General Fund:			
PED General Fund	Administratively Created	\$ 697,102	-
DVR General Fund	Administratively Created	-	1,583,336
Total General Fund:		697,102	1,583,336

<u>Fund/ Program</u>	<u>Laws</u>	<u>Committed Purpose</u>	<u>Restricted Purpose</u>
Capital Improvement Projects:			
Public School Capital Improvement	NMSA 22-25-10, 1978	\$ -	65,211
Public School Capital Outlay	NMSA 22-24-1, 1978	1,103,044	-
Special Capital Outlay Severance Tax Bonds 2000	Law of 2000, Chapter 23, Section 16	-	37,097
Special Capital Outlay Severance Tax Bonds 2004	NMSA 7-27-12, 1978	-	157,620
Special Capital Outlay Severance tax Bonds	NMSA 22-25-1 to 10, 1978	-	488,145
Total Capital Improvement Projects		1,103,044	748,073

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2015**

**NOTE 19. GOVERNMENTAL FUND BALANCES - RESTRICTED AND COMMITTED
(CONTINUED)**

<u>Fund/ Program</u>	<u>Laws</u>	<u>Committed Purpose</u>	<u>Restricted Purpose</u>
Special Revenue:			
Federal Department of Education Flowthrough	Title 34, Code of Federal Regulations	-	5,253,302
Special Projects	48 th Legislature, 1 st Session, Ch 28 and amended by Senate Bill 165 of 2008	-	21,377,806
Schools in Need of Improvement K-3 Plus	NMSA 22-2-10C 1978 2012, Chapter 19, Sec. 4 item 1	113,274 -	- 1,334,140
Ed Tech Deficiency Correction Fund	NMSA 22-15A-1 1978, NMSA 22-15A- 8 1978, and NMSA 22-15A-11 1978	64,347	-
School Transportation Training	NMSA 22-2-22	-	31,005
Independent Living Services	NMSA 6-3-23 through 6-3-25	-	577,270
Private Grants	N/A - Donor Restricted	-	419,111
Family Youth	NMSA 22-2D-3	557,192	-
Educator Certification	NMSA 22-10-4.1 1978	-	3,743,506
Charter School Stimulus	NMSA 22-8B-14 1978	14,292	-
Pre-Kindergarten	GF Appropriation Laws of 2009, Ch. 124 Section 4; HSD/PED agreement GSA #11-630-9000-0014	3,201,708	-
Professional Development	NMSA 22-8-45 1978	585,537	-
Incentive for School Improvement	NMSA 22-2C-10 1978	113,198	-
Reading Materials	NMSA 22-15-8.2 1978	155,564	-
Indian Education Act	NMSA 22-23A-8 1978	3,252,278	-
Kindergarten Plus	NMSA 22-20 1978	-	89,002
Instructional Materials Adoption	NMSA 22-15-8.1 1978	-	326,123
Education Technology	NMSA 22-15A-1 to 22-15A-10 1978	14,263	-
School Library	NMSA 22-15c-3 1978	125,207	-
Federal School Food Services Flowthrough	Title 7, Code of Federal Regulations Parts 210 and 245	-	5,691
Public Building Energy Efficient Act	NMSA 6-23-10 1978	-	48
Public School Support Flowthrough	NMSA 22-8-14 1978	-	4,921,261
Instructional Materials Flowthrough	NMSA 22-15-1 to 22-15-25 1978	-	4,832,711
State Support Reserve	NMSA 28-8-31 1978	1,000,000	-
Transportation Emergency	NMSA 28-8-29.6 1978	1,139,394	-
Recovery Act Funds	Administratively Created	-	184
Total Special Revenue		<u>10,336,254</u>	<u>42,911,160</u>
		<u>\$ 12,136,400</u>	<u>45,242,569</u>

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2015**

NOTE 20. DEFICIENT FUND BALANCE

The following funds had deficient fund balances at June 30, 2015:

Disability Determination Services	DVR (50100)	\$ (104,422)
Public School Support Flowthrough	PED (85800)	\$ (867,011)
Adult Basic Education	PED (45800)	\$ (25,733)
Vocational Education Flowthrough	PED (67400)	\$ (708,506)
PED ARRA Fund	PED (89000)	\$ (292)
Special Capital Outlay - General Fund	PED (81800)	\$ (158,686)
General Fund Capital Outlay	PED (93100)	\$ (6,551)

The Department is addressing the negative fund balances and is planning to take the appropriate actions to eliminate the negative balances.

NOTE 21. RESTATEMENTS (DISCRETELY PRESENTED COMPONENT UNITS)

As a result of implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, the individual charter schools net position at June 30, 2014 was restated. The aggregate restatement, which caused a reduction of net position, amounted to \$99,135,200.

NOTE 22. UNCERTAINTIES REGARDING VIOLATIONS OF NEW MEXICO STATE LAW

As a result of securing debt by the Horizon Academy Foundation and the Cottonwood Classical Foundation, the Horizon Academy West and Cottonwood Classical Preparatory schools, discretely presented component units of the Department, have entered into Pledge and Covenant Agreements with third party lenders to secure debt of their respective foundations. Under the terms of the debt agreement, the lender required the schools to pledge, transfer, and grant a security interest in and assign to the lender all funds, monies, grants or other distributions received by the School from the State of New Mexico. The uncertainty as to whether this is a violation of the Anti-Donation Clause of the New Mexico State Constitution Article IX, Section 14 is currently undergoing additional analysis by the Departments general counsel.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2015**

NOTE 23. RECENT ACCOUNTING PRONOUNCEMENTS

In August 2012, the GASB issued Statement No.68, *Accounting and Financial Reporting for Pensions — an amendment of GASB Statement 27*. The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities. The Department provides substantially all of its employees with pension benefits through the state's multiple employer cost-sharing defined-benefit retirement plan administered by the Public Employees Retirement Association of New Mexico (PERA) and Educational Retirement Board (ERB). GASB Statement 68 requires cost-sharing employers participating in the PERA program, such as the Department, to record their proportionate share, as defined in GASB Statement 68, of Department's unfunded pension liability. As noted in Note 12 above, the portion of net pension liability for PERA and ERB for the primary government is reported at the state level and will not be found on these financial statements. The Department has no legal obligation to fund this shortfall nor does it have any ability to affect funding, benefit, or annual required contribution decisions made by PERA and ERB. GASB Statement 68 is effective for periods beginning after June 15, 2014. The Department adopted GASB Statement No. 68 during fiscal year 2015. The requirement of GASB Statement 68 to record a portion of PERA's unfunded liability has negatively impacted the Department's discretely presented component unit's unrestricted net position. Information regarding PERA's current funding status can be found in their financial report.

In January 2013, the GASB issued statement No. 69, *Government Combinations and Disposals of Government Operations*. This Statement establishes accounting and financial reporting standards related to government combinations and disposals of government operations. As used in this Statement, the term government combination includes a variety of transactions referred to as mergers, acquisitions, and transfers of operations. This Statement improves the decision usefulness of financial reporting by requiring that disclosures be made by governments about combination arrangements in which they engage and for disposals of government operations. GASB Statement 69 is effective for government combinations and disposals of government operations occurring in financial reporting periods beginning after December 15, 2013 and should be applied on a prospective basis. The Department was not a party to any combinations or disposals in the current year and therefore the adoption of GASB Statement 69 does not have any impact on the Department's financial statements.

In November 2013, the GASB issued statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*. Statement No. 68 requires a state or local government employer to recognize a net pension liability measured as of the measurement date, no earlier than the end of its prior fiscal year. If a state or local government employer makes a contribution to a defined benefit pension plan

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2015**

NOTE 23. RECENT ACCOUNTING PRONOUNCEMENTS (CONTINUED)

between the measurement date of the reported net pension liability and the end of the government's reporting period, Statement No. 68 requires that the government recognize its contribution as a deferred outflow of resources. If it is not practical to determine the amounts of all deferred outflows of resources and deferred inflows of resources related to pensions, contributions made after the measurement date of the beginning net pension liability could not have been reported as deferred outflows of resources at transition.

Accordingly, Statement No. 71 amends paragraph 137 of Statement No. 68 to require that, at transition, a government recognize a beginning deferred outflow of resources for its pension contributions, if any, made subsequent to the measurement date of the beginning net pension liability. The Department adopted GASB Statement No.71 during fiscal year 2015.

In June 2015, the GASB issued Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. Statement No. 76, which supersedes Statement No. 55, aims to identify, in the context of the current governmental financial reporting environment, the hierarchy of U.S. GAAP, which consists of the sources of accounting principles used to prepare the financial statements of state and local governments entities in conformity with U.S. GAAP, as well as the framework for selecting those principles. The Department adopted GASB Statement No. 76 during fiscal year 2015, with no significant impact to the Department's financial statements.

NOTE 24. NEW ACCOUNTING PRONOUNCEMENTS

The following GASB pronouncements have been issued, but are not yet effective at June 30, 2015.

GASB Statement No. 72, Fair Value Measurement and Application

GASB Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other than Pension Plans

GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other than Pensions

The Department will implement the new GASB pronouncements in the fiscal year no later than the required effective date. The Department believes that the above listed new GASB pronouncements will not have a significant financial impact to the Department or in issuing its financial statements.

SUPPLEMENTARY INFORMATION

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit)
 Budget and Actual - Modified Accrual Basis - Non Major Funds
 STB Capital Outlay 89200
 Fiscal Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
Other Financing Sources	\$ 47,393,006	47,393,006	45,856,813	(1,536,193)
Total Revenues	<u>47,393,006</u>	<u>47,393,006</u>	<u>45,856,813</u>	<u>(1,536,193)</u>
Expenditures:				
Education:				
Other	47,393,006	47,393,006	45,856,813	1,536,193
Other Financing Uses	-	-	-	-
Total Expenditures	<u>47,393,006</u>	<u>47,393,006</u>	<u>45,856,813</u>	<u>1,536,193</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>

NON-MAJOR GOVERNMENTAL FUNDS

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
COMBINING BALANCE SHEETS
NON MAJOR GOVERNMENTAL FUNDS
June 30, 2015

	Schools in Need of Improvement 00500	K-3 Plus 11420	Ed Tech Deficiency Correction Fund 20160
ASSETS			
Interest in State General Fund			
Investment Pool	\$ 113,330	9,196,710	64,347
Due from Federal Government	-	-	-
Due from Other State Agencies	-	-	-
Due from External Miscellaneous Parties	-	-	-
Due from Other Funds	-	-	-
Other Assets	-	-	-
Total Assets	\$ 113,330	9,196,710	64,347
LIABILITIES AND FUND BALANCES (DEFICIT)			
Accounts Payable	\$ -	7,858,609	-
Accrued Payroll and Taxes	-	3,961	-
Interest in State General Fund			
Investment Pool-Overdraft	-	-	-
Due to State General Fund	-	-	-
Due to Other State Agencies	56	-	-
Due to Federal Government	-	-	-
Due to Local Education Authorities	-	-	-
Unearned Revenue	-	-	-
Due to Other Funds	-	-	-
Other Liabilities	-	-	-
Total Liabilities	56	7,862,570	-
FUND BALANCES (Deficit)			
Restricted	-	1,334,140	-
Committed	113,274	-	64,347
Unassigned (Deficit)	-	-	-
Total Fund Balances (Deficit)	113,274	1,334,140	64,347
TOTAL LIABILITIES AND FUND BALANCES (DEFICIT)	\$ 113,330	9,196,710	64,347

School Transportation Training 20550	Independent Living Services 20570	Private Grants 30800	Family Youth 33400	Educator Certification 39700	Adult Basic Education 45800
31,390	673,099	454,197	557,192	3,805,986	122,564
-	98,370	-	-	-	-
2	-	-	-	-	-
-	-	-	-	-	-
600	-	-	-	-	-
-	-	-	-	762	-
<u>31,992</u>	<u>771,469</u>	<u>454,197</u>	<u>557,192</u>	<u>3,806,748</u>	<u>122,564</u>
987	193,145	31,177	-	41,809	-
-	1,054	49	-	21,433	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	148,297
-	-	-	-	-	-
-	-	3,837	-	-	-
-	-	-	-	-	-
-	-	23	-	-	-
<u>987</u>	<u>194,199</u>	<u>35,086</u>	<u>-</u>	<u>63,242</u>	<u>148,297</u>
31,005	577,270	419,111	-	3,743,506	-
-	-	-	557,192	-	-
-	-	-	-	-	(25,733)
<u>31,005</u>	<u>577,270</u>	<u>419,111</u>	<u>557,192</u>	<u>3,743,506</u>	<u>(25,733)</u>
<u>31,992</u>	<u>771,469</u>	<u>454,197</u>	<u>557,192</u>	<u>3,806,748</u>	<u>122,564</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
COMBINING BALANCE SHEETS
NON MAJOR GOVERNMENTAL FUNDS (CONTINUED)
June 30, 2015

	Charter School Stimulus 47000	Pre- Kindergarten 51300	Professional Development 56200
ASSETS			
Interest in State General Fund			
Investment Pool	\$ 14,292	8,245,186	856,403
Due from Federal Government	-	-	-
Due from Other State Agencies	-	120	-
Due from External Miscellaneous Parties	-	-	-
Due from Other Funds	-	-	-
Other Assets	-	-	-
Total Assets	\$ 14,292	8,245,306	856,403
LIABILITIES AND FUND BALANCES (DEFICIT)			
Accounts Payable	\$ -	4,650,583	266,583
Accrued Payroll and Taxes	-	3,545	-
Interest 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	-	1,805	-
Unearned Revenue	-	-	-
Due to Other Funds	-	-	4,005
Other Liabilities	-	387,665	278
Total Liabilities	-	5,043,598	270,866
FUND BALANCES (Deficit)			
Restricted	-	-	-
Committed	14,292	3,201,708	585,537
Unassigned (Deficit)	-	-	-
Total Fund Balances (Deficit)	14,292	3,201,708	585,537
TOTAL LIABILITIES AND FUND BALANCES (DEFICIT)	\$ 14,292	8,245,306	856,403

Incentive for School Improvement 56800	Reading Materials 58600	Indian Education Act 63300	Kindergarten Plus 63900	Instructional Materials Adoption 66000	Education Technology 66200
113,194	155,564	3,810,293	89,002	326,123	14,263
-	-	-	-	-	-
4	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
113,198	155,564	3,810,293	89,002	326,123	14,263
-	-	555,528	-	-	-
-	-	2,095	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	392	-	-	-
-	-	558,015	-	-	-
-	-	-	89,002	326,123	-
113,198	155,564	3,252,278	-	-	14,263
-	-	-	-	-	-
113,198	155,564	3,252,278	89,002	326,123	14,263
113,198	155,564	3,810,293	89,002	326,123	14,263

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
COMBINING BALANCE SHEETS
NON MAJOR GOVERNMENTAL FUNDS (CONTINUED)
June 30, 2015

	School Library 66900	Federal Food Services 67200	Vocational Education Flow Through 67400
ASSETS			
Interest in State General Fund			
Investment Pool	\$ 125,207	-	27,590
Due from Federal Government	-	3,771,212	2,083,886
Due from Other State Agencies	-	52,147	-
Due from External Miscellaneous Parties	-	36,445	20
Due from Other Funds	-	-	186,187
Other Assets	-	-	-
Total Assets	\$ 125,207	3,859,804	2,297,683
LIABILITIES AND FUND BALANCES (DEFICIT)			
Accounts Payable	\$ -	611,087	2,031,779
Accrued Payroll and Taxes	-	-	-
Interest in State General Fund			
Investment Pool-Overdraft	-	2,870,323	-
Due to State General Fund	-	-	-
Due to Other State Agencies	-	38,553	-
Due to Federal Government	-	142,720	952,833
Due to Local Education Authorities	-	-	-
Unearned Revenue	-	-	-
Due to Other Funds	-	186,187	-
Other Liabilities	-	5,243	21,577
Total Liabilities	-	3,854,113	3,006,189
FUND BALANCES (Deficit)			
Restricted	-	5,691	-
Committed	125,207	-	-
Unassigned (Deficit)	-	-	(708,506)
Total Fund Balances (Deficit)	125,207	5,691	(708,506)
TOTAL LIABILITIES AND FUND BALANCE (DEFICIT)	\$ 125,207	3,859,804	2,297,683

Public Building Energy Efficiency Act 72500	Federal Department of Education Admin 84400	Instructional Materials Flow Through 85600	State Support Reserve 85700	Transportation Emergency 88900	PED ARRA Fund 89000
48	5,636,773	4,851,993	1,000,000	1,253,649	7,485
-	10,016,720	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	4,005	-	-	-	-
-	8,550	-	-	-	-
48	15,666,048	4,851,993	1,000,000	1,253,649	7,485
-	6,102,004	19,282	-	113,655	4,431
-	144,390	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	3,544,460	-	-	-	-
-	90,461	-	-	-	1,797
-	74,602	-	-	-	1,549
-	267,758	-	-	-	-
-	-	-	-	600	-
-	521,112	-	-	-	-
-	10,744,787	19,282	-	114,255	7,777
48	4,921,261	4,832,711	-	-	-
-	-	-	1,000,000	1,139,394	-
-	-	-	-	-	(292)
48	4,921,261	4,832,711	1,000,000	1,139,394	(292)
48	15,666,048	4,851,993	1,000,000	1,253,649	7,485

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
COMBINING BALANCE SHEETS
NON MAJOR GOVERNMENTAL FUNDS (CONTINUED)
June 30, 2015

	DVR ARRA Fund 89000	Public School Capital Improvements 63400	Public School Capital Outlay 63500
ASSETS			
Interest in State General Fund			
Investment Pool	\$ 184	4,432,949	1,103,044
Due from Federal Government	-	-	-
Due from Other State Agencies	-	-	-
Due from External Miscellaneous Parties	-	-	-
Due from Other Funds	-	-	-
Other Assets	-	-	-
Total Assets	\$ 184	4,432,949	1,103,044
LIABILITIES AND FUND BALANCES (DEFICIT)			
Accounts Payable	\$ -	-	-
Accrued Payroll and Taxes	-	-	-
Interest 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	-	5,406	-
Unearned Revenue	-	-	-
Due to Other Funds	-	-	-
Other Liabilities	-	4,362,332	-
Total Liabilities	-	4,367,738	-
FUND BALANCES (Deficit)			
Restricted	184	65,211	-
Committed	-	-	1,103,044
Unassigned (Deficit)	-	-	-
Total Fund Balances (Deficit)	184	65,211	1,103,044
TOTAL LIABILITIES AND FUND BALANCE (DEFICIT)	\$ 184	4,432,949	1,103,044

Special Capital Outlay Severance Tax Bonds 2000 81300	Special Capital Outlay Severance Tax Bonds 2004 81600	Special Capital Outlay - General Fund 81800	GF Capital Outlay 93100	Total Governmental Funds
37,097	143,781	54,542	28,129	47,345,606
-	-	-	-	15,970,188
-	-	-	-	52,273
-	-	-	-	36,465
-	-	-	-	190,792
-	38,186	7,350	-	54,848
37,097	181,967	61,892	28,129	63,650,172
-	-	-	-	22,480,659
-	-	-	-	176,527
-	-	-	-	2,870,323
-	-	36,620	34,680	71,300
-	24,347	-	-	3,607,416
-	-	-	-	1,336,108
-	-	-	-	83,362
-	-	175,902	-	447,497
-	-	-	-	190,792
-	-	8,056	-	5,306,678
-	24,347	220,578	34,680	36,570,662
37,097	157,620	-	-	16,539,980
-	-	-	-	11,439,298
-	-	(158,686)	(6,551)	(899,768)
37,097	157,620	(158,686)	(6,551)	27,079,510
37,097	181,967	61,892	28,129	63,650,172

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES (DEFICIT) - NON MAJOR GOVERNMENTAL FUNDS
Fiscal Year Ended June 30, 2015

	Schools in Need of Improvement 00500	K-3 Plus 11420	Ed Tech Deficiency Correction Fund 20160
REVENUES:			
Federal Grants	\$ -	-	-
Other Revenue	319	-	60
Total Revenues	319	-	60
EXPENDITURES:			
Current:			
Education	-	23,452,461	-
Health and Welfare	-	-	-
Total Expenditures	-	23,452,461	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	319	(23,452,461)	60
OTHER FINANCING SOURCES (USES):			
State General Fund Appropriations	-	21,223,000	-
Appropriations Funded with State Severance Bond Proceeds	-	-	-
Transfers in:			
Interfund	-	-	-
Other	-	-	-
Transfers out:			
Reversions	-	-	-
Interfund	(723,880)	-	(97,415)
Other	-	-	-
Total other Financing Sources (uses):	(723,880)	21,223,000	(97,415)
NET CHANGES IN FUND BALANCES	(723,561)	(2,229,461)	(97,355)
FUND BALANCES (DEFICIT)- BEGINNING OF YEAR	836,835	3,563,601	161,702
FUND BALANCES (DEFICIT) - END OF YEAR	\$ 113,274	1,334,140	64,347

School Transportation Training 20550	Independent Living Services 20570	Private Grants 30800	Family Youth 33400	Educator Certification 39700	Adult Basic Education 45800
-	210,379	-	-	-	-
9,727	-	451,444	465	1,544,523	-
9,727	210,379	451,444	465	1,544,523	-
5,384	-	498,509	-	1,219,524	-
-	1,493,282	-	-	-	-
5,384	1,493,282	498,509	-	1,219,524	-
4,343	(1,282,903)	(47,065)	465	324,999	-
-	1,282,900	-	-	-	-
-	-	-	-	-	-
-	575,973	-	-	-	-
-	1,300	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	1,860,173	-	-	-	-
4,343	577,270	(47,065)	465	324,999	-
26,662	-	466,176	556,727	3,418,507	(25,733)
31,005	577,270	419,111	557,192	3,743,506	(25,733)

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES (DEFICIT) - NON MAJOR GOVERNMENTAL FUNDS (CONTINUED)
Fiscal Year Ended June 30, 2015

	Charter School Stimulus 47000	Pre-Kindergarten 51300	Professional Development 56200
REVENUES:			
Federal Grants	\$ -	-	-
Other Revenue	-	7,047	8,353
Total Revenues	-	7,047	8,353
EXPENDITURES:			
Current:			
Education	-	18,143,588	2,829,110
Health and Welfare	-	-	-
Total expenditures	-	18,143,588	2,829,110
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	(18,136,541)	(2,820,757)
OTHER FINANCING SOURCES (USES):			
State General Fund Appropriations	-	19,236,600	-
Appropriations Funded with State Severance Bond Proceeds	-	-	-
Transfers in:			
Interfund	-	-	-
Other	-	-	-
Transfers out:			
Reversions	-	-	-
Interfund	-	-	-
Other	-	-	-
Total other financing sources (uses):	-	19,236,600	-
NET CHANGES IN FUND BALANCES	-	1,100,059	(2,820,757)
FUND BALANCES (DEFICIT) - BEGINNING OF YEAR	14,292	2,101,649	3,406,294
FUND BALANCES (DEFICIT) - END OF YEAR	\$ 14,292	3,201,708	585,537

Incentive for School Improvement 56800	Reading Materials 58600	Indian Education Act 63300	Kindergarten Plus 63900	Instructional Materials Adoption 66000	Education Technology 66200
-	-	-	-	-	-
63,535	-	-	83	103,431	11,507
63,535	-	-	83	103,431	11,507
-	-	1,005,634	-	180,330	-
-	-	-	-	-	-
-	-	1,005,634	-	180,330	-
63,535	-	(1,005,634)	83	(76,899)	11,507
-	-	1,819,600	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	(299,200)	-	-	-
-	-	-	-	-	(678,705)
-	-	-	-	-	-
-	-	1,520,400	-	-	(678,705)
63,535	-	514,766	83	(76,899)	(667,198)
49,663	155,564	2,737,512	88,919	403,022	681,461
113,198	155,564	3,252,278	89,002	326,123	14,263

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES (DEFICIT) - NON MAJOR GOVERNMENTAL FUNDS (CONTINUED)
Fiscal Year Ended June 30, 2015

	School Library 66900	Federal Food Services 67200	Vocational Education Flow Through 67400
REVENUES:			
Federal Grants	\$ -	137,307,962	6,034,300
Other Revenue	-	12,295	9
Total Revenues	<u>-</u>	<u>137,320,257</u>	<u>6,034,309</u>
EXPENDITURES:			
Current:			
Education	-	137,932,972	6,220,500
Health and Welfare	-	-	-
Total expenditures	<u>-</u>	<u>137,932,972</u>	<u>6,220,500</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>-</u>	<u>(612,715)</u>	<u>(186,191)</u>
OTHER FINANCING SOURCES (USES):			
State General Fund Appropriations	-	-	-
Appropriations Funded with State Severance Bond Proceeds	-	-	-
Transfers in:			
Interfund	-	-	-
Other	-	-	-
Transfers out:			
Reversions	-	-	-
Interfund	-	-	-
Other	-	-	-
Total other financing sources (uses):	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGES IN FUND BALANCES	<u>-</u>	<u>(612,715)</u>	<u>(186,191)</u>
FUND BALANCES (DEFICIT) - BEGINNING OF YEAR	<u>125,207</u>	<u>618,406</u>	<u>(522,315)</u>
FUND BALANCES (DEFICIT) - END OF YEAR	<u>\$ 125,207</u>	<u>5,691</u>	<u>(708,506)</u>

Public Building Energy Efficiency Act 72500	Federal Department of Education Admin 84400	Instructional Materials Flow Through 85600	State Support Reserve 85700	Transportation Emergency 88900	PED ARRA Fund 89000
-	36,213,054	-	-	-	-
-	109,885	2,810	-	590,130	-
-	36,322,939	2,810	-	590,130	-
210,545	27,610,154	24,235,081	-	3,077,714	288
-	-	-	-	-	-
210,545	27,610,154	24,235,081	-	3,077,714	288
(210,545)	8,712,785	(24,232,271)	-	(2,487,584)	(288)
210,546	-	20,308,600	-	-	-
-	-	-	-	-	-
-	-	1,500,000	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	(8,965,131)	(275,024)	-	-	-
210,546	(8,965,131)	21,533,576	-	-	-
1	(252,346)	(2,698,695)	-	(2,487,584)	(288)
47	5,173,607	7,531,406	1,000,000	3,626,978	(4)
48	4,921,261	4,832,711	1,000,000	1,139,394	(292)

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES (DEFICIT) - NON MAJOR GOVERNMENTAL FUNDS (CONTINUED)
Fiscal Year Ended June 30, 2015

	DVR ARRA Fund 89000	Public School Capital Improvements 63400	Public School Capital Outlay 63500
REVENUES:			
Federal Grants	\$ -	-	-
Other Revenue	-	2	-
Total Revenues	<u>-</u>	<u>2</u>	<u>-</u>
EXPENDITURES:			
Current:			
Education	-	482,298	-
Health and Welfare	-	-	-
Total expenditures	<u>-</u>	<u>482,298</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>-</u>	<u>(482,296)</u>	<u>-</u>
OTHER FINANCING SOURCES (USES):			
State General Fund Appropriations	-	-	-
Appropriations Funded with State Severance Bond Proceeds	-	482,298	-
Transfers in:			
Interfund	-	-	-
Other	-	-	-
Transfers out:			
Reversions	-	-	-
Interfund	-	-	-
Other	-	-	-
Total other financing sources (uses):	<u>-</u>	<u>482,298</u>	<u>-</u>
NET CHANGES IN FUND BALANCES	<u>-</u>	<u>2</u>	<u>-</u>
FUND BALANCES (DEFICIT) - BEGINNING OF YEAR	<u>184</u>	<u>65,209</u>	<u>1,103,044</u>
FUND BALANCES (DEFICIT) - END OF YEAR	<u>\$ 184</u>	<u>65,211</u>	<u>1,103,044</u>

Special Capital Outlay Severance Tax Bonds 2000 81300	Special Capital Outlay Severance Tax Bonds 2004 81600	Special Capital Outlay-General Fund 81800	GF Capital Outlay 93100	Total Governmental Funds
-	-	-	-	179,765,695
-	127	9,185	-	2,924,937
-	127	9,185	-	182,690,632
-	-	54,858	95,000	247,253,950
-	-	-	-	1,493,282
-	-	54,858	95,000	248,747,232
-	127	(45,673)	(95,000)	(66,056,600)
-	-	-	54,858	64,136,104
-	-	-	-	482,298
-	-	-	-	2,075,973
-	-	-	-	1,300
-	-	-	-	(299,200)
-	-	-	-	(1,500,000)
-	-	-	-	(9,240,155)
-	-	-	54,858	55,656,320
-	127	(45,673)	(40,142)	(10,400,280)
37,097	157,493	(113,013)	33,591	37,479,790
37,097	157,620	(158,686)	(6,551)	27,079,510

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit)
 Budget and Actual - Modified Accrual Basis - Non Major Funds
 Schools in Need of Improvement 00500
 Fiscal Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
Budgeted Fund Balance	\$ 723,880	723,880	-	(723,880)
Total Revenues	<u>723,880</u>	<u>723,880</u>	<u>319</u>	<u>(723,561)</u>
Expenditures:				
Education:				
Other Financing Uses	723,880	723,880	723,880	-
Total Expenditures	<u>723,880</u>	<u>723,880</u>	<u>723,880</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>-</u>	<u>(723,561)</u>	<u>(723,561)</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit)
Budget and Actual - Modified Accrual Basis - Non Major Funds
K-3 Plus 11420
Fiscal Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
State General Fund Appropriations	\$ 21,223,000	21,223,000	21,223,000	-
Other Revenue	-	-	-	-
Budgeted Fund Balance	-	3,500,000	-	(3,500,000)
Total Revenues	<u>21,223,000</u>	<u>24,723,000</u>	<u>21,223,000</u>	<u>(3,500,000)</u>
Expenditures:				
Education:				
Personal Services & Employee				
Benefits	257,000	142,000	134,318	7,682
Contractual Services	780,000	765,410	455,401	310,009
Other	20,186,000	23,815,590	22,862,742	952,848
Total Expenditures	<u>21,223,000</u>	<u>24,723,000</u>	<u>23,452,461</u>	<u>1,270,539</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>-</u>	<u>(2,229,461)</u>	<u>(2,229,461)</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit)
Budget and Actual - Modified Accrual Basis - Non Major Funds
Ed Tech Deficiency Correction Fund 20160
Fiscal Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
Other Revenue	\$ -	-	60	60
Budgeted Fund Balance	97,415	97,415	-	(97,415)
Total Revenues	<u>97,415</u>	<u>97,415</u>	<u>60</u>	<u>(97,355)</u>
Expenditures:				
Education:				
Personal Services & Employee Benefits	-	-	-	-
Contractual Services	-	-	-	-
Other	-	-	-	-
Other Financing Uses	97,145	97,415	97,415	-
Total Expenditures	<u>97,145</u>	<u>97,415</u>	<u>97,415</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ 270</u>	<u>-</u>	<u>(97,355)</u>	<u>(97,355)</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit)
 Budget and Actual - Modified Accrual Basis - Non Major Funds
 School Transportation Training 20550
 Fiscal Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
Other Revenue	\$ 10,000	10,000	9,727	(273)
Total Revenues	<u>10,000</u>	<u>10,000</u>	<u>9,727</u>	<u>(273)</u>
Expenditures:				
Education:				
Other	10,000	10,000	5,384	4,616
Total Expenditures	<u>10,000</u>	<u>10,000</u>	<u>5,384</u>	<u>4,616</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>-</u>	<u>4,343</u>	<u>4,343</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit)
Budget and Actual - Modified Accrual Basis - Non Major Funds
Independent Living Services 20570
Fiscal Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
Federal Funds	\$ 256,100	256,100	210,379	(45,721)
State General Fund Appropriations	1,286,400	1,297,900	1,282,900	(15,000)
Other Revenue				
Other Financing Sources	-	-	575,973	575,973
Inter-Agency Transfers	-	1,300	1,300	-
Total Revenues	<u>1,542,500</u>	<u>1,555,300</u>	<u>2,070,552</u>	<u>515,252</u>
Expenditures:				
Health and Welfare:				
Personal Services & Employee				
Benefits	35,100	51,300	48,127	3,173
Other	1,507,400	1,504,000	1,445,155	58,845
Total Expenditures	<u>1,542,500</u>	<u>1,555,300</u>	<u>1,493,282</u>	<u>62,018</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>-</u>	<u>577,270</u>	<u>577,270</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit)
 Budget and Actual - Modified Accrual Basis - Non Major Funds
 Private Grants 30800
 Fiscal Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
Other Revenue	\$ 1,122,556	1,122,556	451,444	(671,112)
Total Revenues	1,122,556	1,122,556	451,444	(671,112)
Expenditures:				
Education:				
Personal Services & Employee				
Benefits	75,001	75,001	14,769	60,232
Contractual Services	787,348	787,348	444,841	342,507
Other	260,207	260,207	38,899	221,308
Total Expenditures	1,122,556	1,122,556	498,509	624,047
NET CHANGE IN FUND BALANCE	\$ -	-	(47,065)	(47,065)

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit)
 Budget and Actual - Modified Accrual Basis - Non Major Funds
 Family Youth 33400
 Fiscal Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
Other Revenue	\$ -	-	465	465
Total Revenues	<u>-</u>	<u>-</u>	<u>465</u>	<u>465</u>
Expenditures:				
Education:				
Personal Services & Employee Benefits	-	-	-	-
Contractual Services	-	-	-	-
Other	-	-	-	-
Other Financing Uses	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>-</u>	<u>465</u>	<u>465</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit)
Budget and Actual - Modified Accrual Basis - Non Major Funds
Educator Certification 39700
Fiscal Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
Other Revenue	\$ 1,908,000	1,908,000	1,544,523	(363,477)
Total Revenues	1,908,000	1,908,000	1,544,523	(363,477)
Expenditures:				
Education:				
Personal Services & Employee				
Benefits	928,400	928,400	783,882	144,518
Contractual Services	648,300	648,300	362,925	285,375
Other	331,300	331,300	72,717	258,583
Total Expenditures	1,908,000	1,908,000	1,219,524	688,476
NET CHANGE IN FUND BALANCE	\$ -	-	324,999	324,999

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit)
Budget and Actual - Modified Accrual Basis - Non Major Funds
Pre-Kindergarten 51300
Fiscal Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
State General Fund Appropriations	\$ 19,236,600	19,236,600	19,236,600	-
Budgeted Fund Balance	-	900,000	7,047	(892,953)
Total Revenues	<u>19,236,600</u>	<u>20,136,600</u>	<u>19,243,647</u>	<u>(892,953)</u>
Expenditures:				
Education:				
Personal Services & Employee Benefits	230,047	230,047	206,374	23,673
Contractual Services	18,991,553	19,891,553	17,928,994	1,962,559
Other	15,000	15,000	8,220	6,780
Total Expenditures	<u>19,236,600</u>	<u>20,136,600</u>	<u>18,143,588</u>	<u>1,993,012</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>-</u>	<u>1,100,059</u>	<u>1,100,059</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit)
 Budget and Actual - Modified Accrual Basis - Non Major Funds
 Professional Development 56200
 Fiscal Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
State General Fund Appropriations	\$ 2,500,000	2,500,000	-	(2,500,000)
Budgeted Fund Balance	-	400,000	8,353	(391,647)
Total Revenues	<u>2,500,000</u>	<u>2,900,000</u>	<u>8,353</u>	<u>(2,891,647)</u>
Expenditures:				
Education:				
Contractual Services	2,475,000	2,890,000	2,826,045	63,955
Other	25,000	10,000	3,065	6,935
Total Expenditures	<u>2,500,000</u>	<u>2,900,000</u>	<u>2,829,110</u>	<u>70,890</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>-</u>	<u>(2,820,757)</u>	<u>(2,820,757)</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit)
 Budget and Actual - Modified Accrual Basis - Non Major Funds
 Incentive for School Improvement 56800
 Fiscal Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
Other Revenue	\$ -	-	63,535	63,535
Total Revenues	<u>-</u>	<u>-</u>	<u>63,535</u>	<u>63,535</u>
Expenditures:				
Education:				
Other	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>-</u>	<u>63,535</u>	<u>63,535</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit)
Budget and Actual - Modified Accrual Basis - Non Major Funds
Indian Education Act 63300
Fiscal Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
State General Fund Appropriations	\$ 1,819,600	1,520,400	1,819,600	299,200
Budgeted Fund Balance	675,400	1,202,926	-	(1,202,926)
Reversions	-	-	(299,200)	(299,200)
Total Revenues	<u>2,495,000</u>	<u>2,723,326</u>	<u>1,520,400</u>	<u>(1,202,926)</u>
Expenditures:				
Education:				
Personal Services & Employee Benefits	333,500	333,500	135,824	197,676
Contractual Services	2,060,400	2,143,226	649,279	1,493,947
Other	101,100	246,600	220,531	26,069
Total Expenditures	<u>2,495,000</u>	<u>2,723,326</u>	<u>1,005,634</u>	<u>1,717,692</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>-</u>	<u>514,766</u>	<u>514,766</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit)
 Budget and Actual - Modified Accrual Basis - Non Major Funds
 Kindergarten Plus 63900
 Fiscal Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
Other Revenue	\$ -	-	83	83
Total Revenues	<u>-</u>	<u>-</u>	<u>83</u>	<u>83</u>
Expenditures:				
Education:				
Personal Services & Employee Benefits	-	-	-	-
Contractual Services	-	-	-	-
Other	-	-	-	-
Other Financing Uses	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>-</u>	<u>83</u>	<u>83</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit)
 Budget and Actual - Modified Accrual Basis - Non Major Funds
 Instructional Materials Adoption 66000
 Fiscal Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
Other Revenue	\$ -	-	103,431	103,431
Budgeted Fund Balance	-	289,600	-	(289,600)
Total Revenues	-	289,600	103,431	(186,169)
Expenditures:				
Education:				
Contractual Services	-	288,850	180,250	108,600
Other	-	750	80	670
Total Expenditures	-	289,600	180,330	109,270
NET CHANGE IN FUND BALANCE	\$ -	-	(76,899)	(76,899)

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit)
 Budget and Actual - Modified Accrual Basis - Non Major Funds
 Education Technology Fund 66200
 Fiscal Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
Budgeted Fund Balance	\$ 678,705	678,705	11,507	(667,198)
Total Revenues	<u>678,705</u>	<u>678,705</u>	<u>11,507</u>	<u>(667,198)</u>
Expenditures:				
Education:				
Personal Services & Employee				
Benefits	-	-	-	-
Contractual Services	-	-	-	-
Other	-	-	-	-
Other Financing Uses	678,705	678,705	678,705	-
Total Expenditures	<u>678,705</u>	<u>678,705</u>	<u>678,705</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>-</u>	<u>(667,198)</u>	<u>(667,198)</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit)
 Budget and Actual - Modified Accrual Basis - Non Major Funds
 Federal Food Services 67200
 Fiscal Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
Federal Funds	\$ 151,498,934	151,498,934	137,307,962	(14,190,972)
Other Revenue	-	-	12,295	12,295
Total Revenues	<u>151,498,934</u>	<u>151,498,934</u>	<u>137,320,257</u>	<u>(14,178,677)</u>
Expenditures:				
Education:				
Other	151,498,934	151,498,934	137,932,972	13,565,962
Total Expenditures	<u>151,498,934</u>	<u>151,498,934</u>	<u>137,932,972</u>	<u>13,565,962</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>-</u>	<u>(612,715)</u>	<u>(612,715)</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit)
Budget and Actual - Modified Accrual Basis - Non Major Funds
Vocational Education Flowthrough 67400
Fiscal Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
Federal Funds	\$ 7,308,000	8,808,000	6,034,300	(2,773,700)
Other Revenue	-	-	9	9
Total Revenues	<u>7,308,000</u>	<u>8,808,000</u>	<u>6,034,309</u>	<u>(2,773,691)</u>
Expenditures:				
Education:				
Contractual Services	-	1,500,000	-	1,500,000
Other	7,308,000	7,308,000	6,220,500	1,087,500
Other Financing Uses				-
Total Expenditures	<u>7,308,000</u>	<u>8,808,000</u>	<u>6,220,500</u>	<u>2,587,500</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>-</u>	<u>(186,191)</u>	<u>(186,191)</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit)
 Budget and Actual - Modified Accrual Basis - Non Major Funds
 Public Building Energy Efficiency Act 72500
 Fiscal Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
State General Fund Appropriations	\$ 210,546	210,546	210,546	-
Total Revenues	<u>210,546</u>	<u>210,546</u>	<u>210,546</u>	<u>-</u>
Expenditures:				
Education:				
Other	210,546	210,546	210,545	1
Total Expenditures	<u>210,546</u>	<u>210,546</u>	<u>210,545</u>	<u>1</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>-</u>	<u>1</u>	<u>1</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit)
Budget and Actual - Modified Accrual Basis - Non Major Funds
Federal Department of Education Administration 84400
Fiscal Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
Federal Funds	\$ 88,569,040	88,569,040	36,213,054	(52,355,986)
Other Revenue	-	-	109,885	109,885
Total Revenues	<u>88,569,040</u>	<u>88,569,040</u>	<u>36,322,939</u>	<u>(52,246,101)</u>
Expenditures:				
Education:				
Personal Services & Employee				
Benefits	18,237,775	18,237,775	5,913,097	12,324,678
Contractual Services	35,698,640	35,698,640	18,426,251	17,272,389
Other	4,664,410	4,664,410	3,270,806	1,393,604
Other Financing Uses	29,968,215	29,968,215	8,965,131	21,003,084
Total Expenditures	<u>88,569,040</u>	<u>88,569,040</u>	<u>36,575,285</u>	<u>51,993,755</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>-</u>	<u>(252,346)</u>	<u>(252,346)</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit)
Budget and Actual - Modified Accrual Basis - Non Major Funds
Instructional Materials Flowthrough 85600
Fiscal Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
State General Fund Appropriations	\$ 25,308,600	25,308,600	20,308,600	(5,000,000)
Other Revenue	-	-	1,502,810	1,502,810
Budgeted Fund Balance	-	2,400,000	-	(2,400,000)
Total Revenues	<u>25,308,600</u>	<u>27,708,600</u>	<u>21,811,410</u>	<u>(5,897,190)</u>
Expenditures:				
Education:				
Other	25,033,576	27,433,576	24,235,081	3,198,495
Other Financing Uses	275,024	275,024	275,024	-
Total Expenditures	<u>25,308,600</u>	<u>27,708,600</u>	<u>24,510,105</u>	<u>3,198,495</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>-</u>	<u>(2,698,695)</u>	<u>(2,698,695)</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit)
 Budget and Actual - Modified Accrual Basis - Non Major Funds
 Transportation Emergency Fund 88900
 Fiscal Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
Budgeted Fund Balance	\$ -	3,077,714	590,130	(2,487,584)
Total Revenues	<u>-</u>	<u>3,077,714</u>	<u>590,130</u>	<u>(2,487,584)</u>
Expenditures:				
Education:				
Other	-	3,077,714	3,077,714	-
Total Expenditures	<u>-</u>	<u>3,077,714</u>	<u>3,077,714</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>-</u>	<u>(2,487,584)</u>	<u>(2,487,584)</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit)
 Budget and Actual - Modified Accrual Basis - Non Major Funds
 PED ARRA Fund 89000
 Fiscal Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
Federal Funds	\$ 40,612	40,612	-	(40,612)
Other Revenue	-	-	-	-
Total Revenues	<u>40,612</u>	<u>40,612</u>	<u>-</u>	<u>(40,612)</u>
Expenditures:				
Education:				
Other	40,612	40,612	288	40,324
Total Expenditures	<u>40,612</u>	<u>40,612</u>	<u>288</u>	<u>40,324</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>-</u>	<u>(288)</u>	<u>(288)</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit)
 Budget and Actual - Modified Accrual Basis - Non Major Funds
 Public School Capital Improvements 63400
 Fiscal Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
Other Revenue	\$ -	-	2	2
Other Financing Sources	<u>777,309</u>	<u>777,309</u>	<u>482,298</u>	<u>(295,011)</u>
Total Revenues	<u>777,309</u>	<u>777,309</u>	<u>482,300</u>	<u>(295,009)</u>
Expenditures:				
Education:				
Other	<u>777,309</u>	<u>777,309</u>	<u>482,298</u>	<u>295,011</u>
Total Expenditures	<u>777,309</u>	<u>777,309</u>	<u>482,298</u>	<u>295,011</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>-</u>	<u>2</u>	<u>2</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit)
 Budget and Actual - Modified Accrual Basis - Non Major Funds
 Special Capital Outlay Severance Tax Bonds 2004 81600
 Fiscal Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
Other Revenue	\$ 449,812	449,812	127	(449,685)
Other Financing Sources	-	-	-	-
Total Revenues	<u>449,812</u>	<u>449,812</u>	<u>127</u>	<u>(449,685)</u>
Expenditures:				
Education:				
Other	449,812	449,812	-	449,812
Total Expenditures	<u>449,812</u>	<u>449,812</u>	<u>-</u>	<u>449,812</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>-</u>	<u>127</u>	<u>127</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit)
 Budget and Actual - Modified Accrual Basis - Non Major Funds
 Special Capital Outlay-General Fund 81800
 Fiscal Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
Federal Funds	\$ -	-	-	-
State General Fund Appropriations	-	-	-	-
Other Revenue	220,578	220,578	9,185	(211,393)
Other Financing Sources	-	-	-	-
Total Revenues	<u>220,578</u>	<u>220,578</u>	<u>9,185</u>	<u>(211,393)</u>
Expenditures:				
Education:				
Other	220,578	220,578	54,858	165,720
Total Expenditures	<u>220,578</u>	<u>220,578</u>	<u>54,858</u>	<u>165,720</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>-</u>	<u>(45,673)</u>	<u>(45,673)</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit)
 Budget and Actual - Modified Accrual Basis - Non Major Funds
 GF Capital Outlay 93100
 Fiscal Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
Federal Funds	\$ -	-	-	-
State General Fund Appropriations	95,000	95,000	54,858	(40,142)
Other Revenue	-	-	-	-
Other Financing Sources	-	-	-	-
Total Revenues	<u>95,000</u>	<u>95,000</u>	<u>54,858</u>	<u>(40,142)</u>
Expenditures:				
Education:				
Other	95,000	95,000	95,000	-
Total Expenditures	<u>95,000</u>	<u>95,000</u>	<u>95,000</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>-</u>	<u>(40,142)</u>	<u>(40,142)</u>

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COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
STATEMENT OF NET POSITION
PUBLIC EDUCATION DEPARTMENT ONLY
(Without the Division of Vocational Rehabilitation)
June 30, 2015

	<u>Governmental Activities</u>
ASSETS	
CURRENT ASSETS:	
Investment in State General Fund Investment Pool	\$ 123,439,120
Due from Federal Government	76,328,019
Due from State General Fund	2,280,780
Due from Other State Agencies	57,712,852
Due from External Miscellaneous Parties	1,377,768
Due from Agency Fund	5,118,458
Other Assets	61,870
Total Current Assets	<u>266,318,867</u>
NON-CURRENT ASSETS:	
Capital Assets	1,395,548
Accumulated Depreciation	(1,082,293)
Total Non-Current Assets	<u>313,255</u>
Total Assets	<u>266,632,122</u>
LIABILITIES	
CURRENT LIABILITIES:	
Accounts Payable	162,352,307
Accrued Payroll and Taxes	508,190
Interest in State General Fund	
Investment Pool-Overdraft	5,142,619
Due to State General Fund	20,714,814
Due to Other State Agencies	3,713,036
Due to Federal Government	3,160,952
Due to Local Education Authorities	10,295,485
Unearned Revenue	447,497
Compensated Absences - Due Within One Year	722,954
Other Current Liabilities	6,532,567
TOTAL CURRENT LIABILITIES	<u>213,590,421</u>
NET POSITION	
Investment in Capital Assets	313,255
Restricted	43,081,779
Unrestricted	9,646,667
TOTAL NET POSITION	<u>\$ 53,041,701</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
STATEMENT OF ACTIVITIES
PUBLIC EDUCATION DEPARTMENT ONLY
(Without the Division of Vocational Rehabilitation)
For the Year Ended June 30, 2015

Functions/Programs	Expenses	Program Revenues			Net (Expense)
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and Changes in Net Position
					Governmental Activities
PRIMARY GOVERNMENT					
GOVERNMENTAL ACTIVITIES:					
Education	\$ 3,134,326,599	5,615,815	380,021,821	-	(2,748,688,963)
Total Primary Government	\$ 3,134,326,599	5,615,815	380,021,821	-	(2,748,688,963)
GENERAL REVENUES AND TRANSFERS:					
					\$ 2,631,607,558
State general fund - general appropriations					95,485,000
State general fund - special appropriations					46,339,111
Bond proceeds appropriations					208,718
Transfers in - other					2,000,000
Transfers in - agency fund					(9,240,155)
Transfers out - other					(18,535,494)
Transfers out - State General fund reversions - FY15					
TOTAL GENERAL REVENUES AND TRANSFERS					2,747,864,738
CHANGE IN NET POSTION					(824,225)
NET POSITION, BEGINNING					53,865,926
NET POSTION, ENDING					\$ 53,041,701

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
STATEMENT OF NET POSITION
DIVISION OF VOCATIONAL REHABILITATION ONLY
June 30, 2015

	<u>Governmental Activities</u>
ASSETS	
CURRENT ASSETS:	
Investment in State General Fund Investment Pool	\$ 8,542,010
Due from Federal Government	2,170,727
Due from Other State Agencies	14,864
Other Assets	9,345
Total Current Assets	<u>10,736,946</u>
NON-CURRENT ASSETS:	
Capital Assets	1,168,433
Accumulated Depreciation	(976,452)
Total Non-Current Assets	<u>191,981</u>
Total Assets	<u>10,928,927</u>
LIABILITIES	
CURRENT LIABILITIES:	
Accounts Payable	1,708,849
Accrued Payroll and Taxes	427,479
Interest in State General Fund Investment Pool-Overdraft	404,750
Due to Other State Agencies	1,809
Due to Federal Government	3,635,010
Unearned Revenue	2,502,681
Compensated Absences - Due Within One Year	631,438
TOTAL CURRENT LIABILITIES	<u>9,312,016</u>
NET POSITION	
Investment in Capital Assets	191,981
Restricted	2,160,790
Unrestricted (Deficit)	(735,860)
TOTAL NET POSITION	<u>\$ 1,616,911</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
STATEMENT OF ACTIVITIES
DIVISION OF VOCATIONAL REHABILITATION ONLY
For the Year Ended June 30, 2015

Functions/Programs	Expenses	Program Revenues			Net (Expense)
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and Changes in Net Position
					Governmental Activities
PRIMARY GOVERNMENT					
GOVERNMENTAL ACTIVITIES:					
Health and Welfare	\$ 35,801,792	34,450	29,494,705	-	(6,272,637)
Total Primary Government	\$ 35,801,792	34,450	29,494,705	-	(6,272,637)
GENERAL REVENUES AND TRANSFERS:					
				\$ 5,750,000	
				516,100	
				-	
					6,266,100
TOTAL GENERAL REVENUES AND TRANSFERS					
CHANGE IN NET POSTION					(6,537)
NET POSITION, BEGINNING					1,623,448
NET POSTION, ENDING					\$ 1,616,911

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
COMBINING BALANCE SHEETS - GOVERNMENTAL FUNDS
DIVISION OF VOCATIONAL REHABILITATION ONLY
June 30, 2015

	Independent Living Services 20570	DVR General Fund 50000	Disability Determination Services 50100	DVR Recovery Act 89000	Total Governmental Funds
ASSETS					
Interest in State General Fund					
Investment Pool	\$ 673,099	7,868,727	-	184	8,542,010
Due From Federal Government	98,370	1,398,862	673,495	-	2,170,727
Due From Other State Agencies	-	14,864	-	-	14,864
Other Assets	-	9,345	-	-	9,345
Total Assets	\$ 771,469	9,291,798	673,495	184	10,736,946
LIABILITIES					
Accounts Payable	\$ 193,145	1,277,905	237,799	-	1,708,849
Accrued Payroll and Taxes	1,054	291,344	135,081	-	427,479
Interest in State General Fund					
Investment Pool-overdraft	-	-	404,750	-	404,750
Due to Other State Agencies	-	1,809	-	-	1,809
Due to Federal Government	-	3,634,969	41	-	3,635,010
Unearned Revenue	-	2,502,435	246	-	2,502,681
Total Liabilities	194,199	7,708,462	777,917	-	8,680,578
FUND BALANCES (DEFICIT)					
Restricted	577,270	1,583,336	-	184	2,160,790
Unassigned (Deficit)	-	-	(104,422)	-	(104,422)
Total Fund Balances (Deficit)	577,270	1,583,336	(104,422)	184	2,056,368
Total Liabilities and Fund Balances (Deficit)	\$ 771,469	9,291,798	673,495	184	10,736,946

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 RECONCILIATION OF THE COMBINING BALANCE SHEETS -
 GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION
 DIVISION OF VOCATIONAL REHABILITATION ONLY
 June 30, 2015

	<u>Governmental Activities</u>
Total Fund Balance - Governmental Funds (Governmental Fund Balance Sheet - Division of Vocational Rehabilitation Only)	\$ 2,056,368

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

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

Capital Assets	1,168,433	
Accumulated Depreciation	<u>(976,452)</u>	
Total Capital Assets		191,981

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>(631,438)</u>
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Net Position of Governmental Activities (Statement of Net Position - Division of Vocational Rehabilitation Only)	<u>\$ 1,616,911</u>
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STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
COMBINING STATEMENTS OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES (DEFICIT)
GOVERNMENTAL FUNDS
DIVISION OF VOCATIONAL REHABILITATION ONLY
For the Year Ended June 30, 2015

	Independent Living Services 20570	DVR General Fund 50000	Disability Determination Services 50100	DVR Recovery Act Funds 89000	Total Governmental Funds
REVENUES:					
Federal Grants	\$ 210,379	18,576,007	10,708,319	-	29,494,705
Other Revenue	-	34,446	4	-	34,450
Total Revenues	<u>210,379</u>	<u>18,610,453</u>	<u>10,708,323</u>	<u>-</u>	<u>29,529,155</u>
EXPENDITURES:					
Current:					
Health and Welfare	1,493,282	23,484,491	10,708,320	-	35,686,093
Capital outlay	-	92,743	-	-	92,743
Total Expenditures	<u>1,493,282</u>	<u>23,577,234</u>	<u>10,708,320</u>	<u>-</u>	<u>35,778,836</u>
(DEFICIENCY) EXCESS OF REVENUES (UNDER) OVER EXPENDITURES	<u>(1,282,903)</u>	<u>(4,966,781)</u>	<u>3</u>	<u>-</u>	<u>(6,249,681)</u>
OTHER FINANCING SOURCES (USES):					
State general fund appropriations	1,282,900	4,467,100	-	-	5,750,000
Transfers in:					
Interfund	575,973	-	-	-	575,973
Other	1,300	514,800	-	-	516,100
Transfers out:					
Reversions	-	-	-	-	-
Interfund	-	(575,973)	-	-	(575,973)
Other	-	-	-	-	-
Total other Financing Sources (uses):	<u>1,860,173</u>	<u>4,405,927</u>	<u>-</u>	<u>-</u>	<u>6,266,100</u>
NET CHANGES IN FUND BALANCES	<u>577,270</u>	<u>(560,854)</u>	<u>3</u>	<u>-</u>	<u>16,419</u>
FUND BALANCES (DEFICIT) - BEGINNING OF YEAR	<u>-</u>	<u>2,144,190</u>	<u>(104,425)</u>	<u>184</u>	<u>2,039,949</u>
FUND BALANCES (DEFICIT) - END OF YEAR	<u>\$ 577,270</u>	<u>1,583,336</u>	<u>(104,422)</u>	<u>184</u>	<u>2,056,368</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 RECONCILIATION OF COMBINING STATEMENTS OF REVENUES,
 EXPENDITURES AND CHANGES IN FUND BALANCES (DEFICIT)
 OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
 DIVISION OF VOCATIONAL REHABILITATION ONLY
 For the Year Ended June 30, 2015

	<u>Governmental</u> <u>Activities</u>
Net Change in Fund Balances - Total Governmental Funds (Statement of Revenues, Expenditures, and Changes in Fund Balances/Deficit - Division of Vocational Rehabilitation Only)	\$ 16,419
<p>Amounts reported for governmental activities in the Statement of Activities are different because:</p> <p>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 change in the liabilities for the year was:</p>	
Change in compensated absences payable	(51,783)
<p>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.</p>	
Capital Outlay	92,743
Depreciation expense	<u>(63,916)</u>
Excess of capital outlay over depreciation expense	<u>28,827</u>
Change in Net Position of Governmental Activities (Statement of Activities - Division of Vocational Rehabilitation Only)	<u>\$ (6,537)</u>

AGENCY AND FIDUCIARY FUNDS

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES - AGENCY FUND
Agency Fund - 57300
For the Year Ended June 30, 2015

	<u>Balance</u> <u>June 30, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2015</u>
ASSETS				
Interest in State General				
Fund Investment Pool	\$ 5,964,212	1,415,707	-	7,379,919
Due from Other State Agencies	121,071	126,194	(121,071)	126,194
	<u>121,071</u>	<u>126,194</u>	<u>(121,071)</u>	<u>126,194</u>
Total Assets	<u>\$ 6,085,283</u>	<u>1,541,901</u>	<u>(121,071)</u>	<u>7,506,113</u>
LIABILITIES				
Due to Other Funds	\$ 3,118,458	2,000,000	-	5,118,458
Due to External Parties	2,966,825	-	(579,170)	2,387,655
	<u>2,966,825</u>	<u>-</u>	<u>(579,170)</u>	<u>2,387,655</u>
Total Liabilities	<u>\$ 6,085,283</u>	<u>2,000,000</u>	<u>(579,170)</u>	<u>7,506,113</u>

See Independent Auditors Report

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 COMBINING STATEMENT OF FIDUCIARY NET POSITION
 June 30, 2015

	Eva Lou Kelly Scholarship <u>61600</u>	Tutor-Scholars Program <u>99300</u>	Total Private Purpose Trusts <u></u>
ASSETS			
Interest in State General Fund Investment Pool	\$ 40,170	4,876	45,046
Certificate of Deposit	<u>20,000</u>	<u>-</u>	<u>20,000</u>
Total Assets	<u>60,170</u>	<u>4,876</u>	<u>65,046</u>
LIABILITIES			
Due to External Parties	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>
NET POSITION			
Reserved for Scholarships	<u>\$ 60,170</u>	<u>4,876</u>	<u>65,046</u>

See Independent Auditors Report

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
For the Year Ended June 30, 2015

	Eva Lou Kelly Scholarship 61600	Tutor-Scholars Program 99300	Total Private Purpose Trusts
ADDITIONS			
Investment Earnings - Interest	\$ 173	-	173
DEDUCTIONS			
Scholarship Expense	-	-	-
CHANGE IN NET POSITION	173	-	173
NET POSITION, BEGINNING	59,997	4,876	64,873
NET POSITION, ENDING	<u>\$ 60,170</u>	<u>4,876</u>	<u>65,046</u>

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**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
NOTES TO TRUST AND AGENCY FUNDS
For the Year Ended June 30, 2015**

Trust Funds

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

Eva Lou Kelly Scholarship Fund (SHARE Fund 61600)

The Eva Lou Kelly Scholarship fund accounts for assets held in trust for the continuation of "deserving boys and girls".

Tutor-Scholars Program Fund (SHARE Fund 99300)

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.

Agency Fund

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 (SHARE Fund 57300)

The Driver Safety Fee fund is used to accumulate the driver safety fee in the amount of \$3 for each driver's license 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). The balance reported on the Statement of Changes in Assets and Liabilities - Agency Fund in the amount of \$7,506,113 is a result of the money received from the driver's license fees and the Legislative Appropriations Laws 2014 (Chapter 63, Section 5, Page 206) which stipulated that \$2,000,000 be transferred from this Driver Safety Fees Fund to the Special Projects Fund 79000 for emergency support to school districts experiencing shortfalls. During the current fiscal year, \$2,000,000 of this balance was transferred to the Special Projects Fund.

See Independent Auditors Report

OTHER SUPPLEMENTAL INFORMATION

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SUPPLEMENTAL SCHEDULE OF CASH AND CASH EQUIVALENTS
For the Year Ended June 30, 2015

Agency/Fund	Account Name	General Ledger Balance
General Funds:		
924-05700	Public Education Department (PED)	\$ 2,045,509
644-50000	Division of Vocational Rehabilitation (DVR)	7,868,727
Total General Funds		9,914,236
Special Revenue and Capital Outlay Funds:		
924-00500	Schools in Need in Improvement	113,330
924-11420	K-3 Plus	9,196,710
924-20160	Ed Tech Deficiency Correction Fund	64,347
924-20550	School Transportation Training	31,390
644-20570	Independent Living Services	673,099
924-30800	Private Grants	454,197
924-33400	Family Youth	557,192
924-39700	Educator Certification	3,805,986
924-45800	Adult Basic Education	122,564
924-47000	Charter School Stimulus	14,292
644-50100	Disability Determination Services	(404,750)
924-51300	Pre-Kindergarten	8,245,186
924-56200	Professional Development	856,403
924-56800	Incentive for School Improvement	113,194
924-58600	Reading Materials	155,564
924-63300	Indian Education Act	3,810,293
924-63400	Public School Capital Improvements	4,432,949
924-63500	Public School Capital Outlay	1,103,044
924-63900	Kindergarten Plus	89,002
924-66000	Instructional Materials Adoption	326,123
924-66200	Education Technology	14,263
924-66900	School Library	125,207
924-67200	Federal Food Services	(2,870,323)
924-67300	Federal Department of Education Flowthrough	(2,272,296)
924-67400	Federal Vocational Education Flowthrough	27,590
924-72500	Public Building Energy Efficiency Act	48
924-79000	Special Projects	59,597,298
924-81300	Special Capital Outlay Severance Tax Bonds 2000	37,097
924-81600	Special Capital Outlay Severance Tax Bonds 2004	143,781
924-81800	Special Capital Outlay - General Fund	54,542
924-84400	Federal Department of Education Admin	5,636,773
924-85600	Instructional Materials Flowthrough	4,851,993
924-85700	State Support Reserve	1,000,000
924-85800	Public School Support Flowthrough	13,475,840
924-88900	Transportation Emergency	1,253,649
924-89000	PED ARRA Fund	7,485
644-89000	DVR ARRA Fund	184
924-89200	STB Capital Outlay	1,648,150
924-93100	GF Capital Outlay	28,129
Total Special Revenue and Capital Outlay Funds		116,519,525
Total General Fund, Special Revenue and Capital Outlay Funds		126,433,761
Trust and Agency Funds:		
924-57300	Driver Safety Fees	7,379,919
924-61600	Eva Lou Kelly Scholarship	40,170
924-61600	Eva Lou Kelly Scholarship - CD with Washington Federal	20,000
924-99300	Tutor Scholars Program	4,876
Total Trust and Agency Funds		7,444,965
Total Cash and Investments, Net of Overdrafts		\$ 133,878,726

See Independent Auditors Report

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
JOINT POWERS AGREEMENTS, MEMORANDA OF UNDERSTANDING
AND INTER-GOVERNMENTAL AGREEMENTS
June 30, 2015

Contractor	Scope of Work	Responsible	Amount of	Beginning		Audit	Agency Reporting Revenue/Expense
		Party	Contract	Date	Ending Date	Responsibility	
REC IV	Academic Language	PED	302,100	7/1/2014	6/30/2015	PED	PED\REC IV
Pecos Schools	Pre K	PED	246,000	7/1/2014	6/30/2015	PED	PED\Pecos Schools
Pojoaque Schools	Pre K	PED	210,000	7/1/2014	6/30/2015	PED	PED\Pojoaque Schools
Questa Schools	Pre K	PED	80,000	7/1/2014	6/30/2015	PED	PED\Questa Schools
REC VI (6)	Pre K	PED	388,835	7/1/2014	6/30/2015	PED	PED\REC VI (6)
REC VII (7)	Pre K	PED	543,000	7/1/2014	6/30/2015	PED	PED\REC VII (7)
Red River Charter School	Pre K	PED	35,000	7/1/2014	6/30/2015	PED	PED\Red River Charter School
Rio Rancho Schools	Pre K	PED	1,160,250	7/1/2014	6/30/2015	PED	PED\Rio Rancho Schools
Roswell Indp. Schools	Pre K	PED	255,000	7/1/2014	6/30/2015	PED	PED\Roswell Indp. Schools
Santa Fe Schools	Pre K	PED	1,755,800	7/1/2014	6/30/2015	PED	PED\Santa Fe Schools
Socorro Schools	Pre K	PED	188,000	7/1/2014	6/30/2015	PED	PED\Socorro Schools
Taos Schools	Pre K	PED	108,000	7/1/2014	6/30/2015	PED	PED\Taos Schools
T or C Schools	Pre K	PED	200,000	7/1/2014	6/30/2015	PED	PED\T or C Schools
Vaughn Schools	Pre K	PED	30,000	7/1/2014	6/30/2015	PED	PED\Vaughn Schools
West Las Vegas Schools	Pre K	PED	330,000	7/1/2014	6/30/2015	PED	PED\West Las Vegas Schools
Zuni Schools	Pre K	PED	130,000	7/1/2014	6/30/2015	PED	PED\Zuni Schools
Espanola Schools	Pre K	PED	135,000	7/1/2014	6/30/2015	PED	PED\Espanola Schools
Mountainair Schools	Pre K	PED	60,000	7/1/2014	6/30/2015	PED	PED\Mountainair Schools
Pensaco Schools	Pre K	PED	60,000	7/1/2014	6/30/2015	PED	PED\Pensaco Schools
Portales Schools	Pre K	PED	200,000	7/1/2014	6/30/2015	PED	PED\Portales Schools
Reserve Independent Schools	Pre K	PED	42,700	7/1/2014	6/30/2015	PED	PED\Reserve Independent Schools
Ruidoso Schools	Pre K	PED	129,000	7/1/2014	6/30/2015	PED	PED\Ruidoso Schools
Santa Rosa Schools	Pre K	PED	54,000	7/1/2014	6/30/2015	PED	PED\Santa Rosa Schools
ABQ Schools	Pre K	PED	3,016,800	7/1/2014	6/30/2015	PED	PED\ABQ Schools
Belen Schools	Pre K	PED	109,632	7/1/2014	6/30/2015	PED	PED\Belen Schools
Bernalillo Schools	Pre K	PED	720,000	7/1/2014	6/30/2015	PED	PED\Bernalillo Schools
Bloomfield Schools	Pre K	PED	446,000	7/1/2014	6/30/2015	PED	PED\Bloomfield Schools
Central Schools	Pre K	PED	1,220,000	7/1/2014	6/30/2015	PED	PED\Central Schools
Chama Valley Schools	Pre K	PED	90,000	7/1/2014	6/30/2015	PED	PED\Chama Valley Schools
C obre Schools	Pre K	PED	595,000	7/1/2014	6/30/2015	PED	PED\C obre Schools
Cuba Schools	Pre K	PED	45,000	7/1/2014	6/30/2015	PED	PED\Cuba Schools
Deming Schools	Pre K	PED	492,500	7/1/2014	6/30/2015	PED	PED\Deming Schools
Dexter Schools	Pre K	PED	112,192	7/1/2014	6/30/2015	PED	PED\Dexter Schools
Farmington Schools	Pre K	PED	650,000	7/1/2014	6/30/2015	PED	PED\Farmington Schools
Gadseden Schools	Pre K	PED	1,645,000	7/1/2014	6/30/2015	PED	PED\Gadseden Schools
Gallup McKinley Schools	Pre K	PED	736,170	7/1/2014	6/30/2015	PED	PED\Gallup McKinley Schools
Grants Cibola Schools	Pre K	PED	480,000	7/1/2014	6/30/2015	PED	PED\Grants Cibola Schools
Hatch Valley Schools	Pre K	PED	320,000	7/1/2014	6/30/2015	PED	PED\Hatch Valley Schools
Horizon Academy West	Pre K	PED	120,000	7/1/2014	6/30/2015	PED	PED\Horizon Academy West
Jemez Valley Schools	Pre K	PED	50,000	7/1/2014	6/30/2015	PED	PED\Jemez Valley Schools
LA Promesa Charter	Pre K	PED	210,000	7/1/2014	6/30/2015	PED	PED\LA Promesa Charter
Lordsburg Schools	Pre K	PED	67,800	7/1/2014	6/30/2015	PED	PED\Lordsburg Schools
Los Lunas Public Schools	Pre K	PED	725,000	7/1/2014	6/30/2015	PED	PED\Los Lunas Public Schools
Magdalena Schools	Pre K	PED	40,874	7/1/2014	6/30/2015	PED	PED\Magdalena Schools
Mesa Vista Schools	Pre K	PED	53,000	7/1/2014	6/30/2015	PED	PED\Mesa Vista Schools
North Valley Schools	Pre K	PED	120,000	7/1/2014	6/30/2015	PED	PED\North Valley Schools
UNM	Pre K	PED	482,119	7/1/2014	6/30/2015	PED	PED\UNM
UNM regents	Pre K	PED	475,000	7/1/2014	6/30/2015	PED	PED\UNM regents
REC IX	Assesst & acct	PED	96,235	7/1/2014	12/31/2014	PED	PED\REC IX
ENMU	CTWEB	PED	516,450	7/1/2014	6/30/2015	PED	PED\ENMU
REC IX	CTWEB	PED	1,150,000	7/1/2014	6/30/2015	PED	PED\REC IX
REC 6	Title 1	PED	162,481	7/1/2014	6/30/2015	PED	PED\REC 6
Burrell Prof Services	School Budget	PED	43,275	7/1/2014	6/30/2015	PED	PED
UNM regents	Pre K	PED	204,012	7/1/2014	6/30/2015	PED	PED\UNM regents
REC 9	Ed Quality	PED	1,860,021	7/1/2014	6/30/2015	PED	PED\REC 9
REC 9	Ed Quality	PED	368,496	7/1/2014	6/30/2015	PED	PED\REC 9
EPICS	SPED	PED	199,000	7/1/2014	6/30/2015	PED	PED\EPICS

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
JOINT POWERS AGREEMENTS, MEMORANDA OF UNDERSTANDING
AND INTER-GOVERNMENTAL AGREEMENTS (CONTINUED)
June 30, 2015

Contractor	Scope of Work	Responsible	Amount of	Beginning		Audit	Agency Reporting Revenue/Expense
		Party	Contract	Date	Ending Date	Responsibility	
PRO	SPED	PED	199,000	7/1/2014	6/30/2015	PED	PED\PRO
REC 7	Title 1	PED	714,312	7/1/2014	6/30/2015	PED	PED\REC 7
SWREC 10	Literacy	PED	500,000	7/1/2014	6/30/2015	PED	PED\SWREC 10
Bernalillo Schools	Indian Education	PED	25,000	7/1/2014	6/30/2015	PED	PED\Bernalillo Schools
Los Lunas Public Schools	Indian Education	PED	25,000	7/1/2014	6/30/2015	PED	PED\Los Lunas Public Schools
Ruidoso Schools	Indian Education	PED	25,000	7/1/2014	6/30/2015	PED	PED\Ruidoso Schools
Zuni Schools	Indian Education	PED	25,000	7/1/2014	6/30/2015	PED	PED\Zuni Schools
REC 9	Assesst & acct	PED	285,179	7/1/2014	12/31/2014	PED	PED\REC 9
REC 9	Priority Schools	PED	619,574	7/1/2014	6/30/2015	PED	PED\REC 9
REC 2	Priority Schools	PED	1,504,420	7/1/2014	6/30/2015	PED	PED\REC 2
REC 3	Priority Schools	PED	2,475,360	7/1/2014	6/30/2015	PED	PED\REC 3
REC 10	Priority Schools	PED	676,240	7/1/2014	6/30/2015	PED	PED\REC 10
Sandia Pueblo	Indian Education	PED	30,000	7/1/2014	6/30/2015	PED	PED\Sandia Pueblo
SWREC 10	Literacy	PED	204,682	7/1/2014	6/30/2015	PED	PED\SWREC 10
Pecos Valley REC 8	Literacy	PED	103,474	7/1/2014	6/30/2015	PED	PED\Pecos Valley REC 8
REC 9	Literacy	PED	103,342	7/1/2014	6/30/2015	PED	PED\REC 9
REC 5	Literacy	PED	206,465	7/1/2014	6/30/2015	PED	PED\REC 5
REC 7	Literacy	PED	103,474	7/1/2014	6/30/2015	PED	PED\REC 7
REC 2	Literacy	PED	207,612	7/1/2014	6/30/2015	PED	PED\REC 2
REC 3	Literacy	PED	109,571	7/1/2014	6/30/2015	PED	PED\REC 3
REC 4	Literacy	PED	207,983	7/1/2014	6/30/2015	PED	PED\REC 4
Patricia Bustamante	Ethics	PED	17,310	7/1/2014	6/30/2015	PED	PED
Mettler Law Office	Ethics	PED	17,310	7/1/2014	6/30/2015	PED	PED
Guru Terath Khalsa	Ethics	PED	17,310	7/1/2014	6/30/2015	PED	PED
REC 3	SPED	PED	297,881	7/1/2014	6/30/2015	PED	PED\REC 3
RC 4	SPED	PED	426,847	7/1/2014	5/30/2015	PED	PED\RC 4
REC 6	SPED	PED	116,598	7/1/2014	6/30/2015	PED	PED\REC 6
REC 9	SPED	PED	817,368	7/1/2014	6/30/2015	PED	PED\REC 9
REC 5	SPED	PED	386,126	7/1/2014	6/30/2015	PED	PED\REC 5
REC 2	Sped	PED	393,545	7/1/2014	6/30/2015	PED	PED\REC 2
UNM CDD	SPED	PED	478,548	7/1/2014	6/30/2015	PED	PED\UNM CDD
Santo Domingo	Indian Education	PED	30,000	7/1/2014	6/30/2015	PED	PED\Santo Domingo
Taos Pueblo	Indian Education	PED	30,000	7/1/2014	6/30/2015	PED	PED\Taos Pueblo
Mescalero	Indian Education	PED	30,000	7/1/2014	6/30/2015	PED	PED\Mescalero
Santa Ana	Indian Education	PED	30,000	7/1/2014	6/30/2015	PED	PED\Santa Ana
Zia Pueblo	Indian Education	PED	30,000	7/1/2014	6/30/2015	PED	PED\Zia Pueblo
San Idelfonso Pueblo	Indian Education	PED	30,000	7/1/2014	6/30/2015	PED	PED\San Idelfonso Pueblo
Teseque Pueblo	Indian Education	PED	30,000	7/1/2014	6/30/2015	PED	PED\Teseque Pueblo
USU TAESE	SPED	PED	370,980	7/1/2014	6/30/2015	PED	PED\USU TAESE
REC 8	SPED	PED	278,980	7/1/2014	6/30/2015	PED	PED\REC 8
REC 7	SPED	PED	405,144	7/1/2014	6/30/2015	PED	PED\REC 7
SWREC 10	SPED	PED	373,978	7/1/2014	6/30/2015	PED	PED\SWREC 10
REC 9	Indian Education	PED	52,300	7/1/2014	6/30/2015	PED	PED\REC 9
UNM Regents	Ed Quality	PED	360,959	7/1/2014	6/30/2015	PED	PED\UNM Regents
Socorro Schools	School Health	PED	199,500	7/1/2014	6/30/2015	PED	PED\Socorro Schools
REC 9	CTWEB	PED	136,143	7/1/2014	6/30/2015	PED	PED\REC 9
Rio Rancho Schools	CTWEB	PED	52,591	7/1/2014	6/30/2015	PED	PED\Rio Rancho Schools
Pueblo Nambe	Indian Education	PED	30,000	7/1/2014	6/30/2015	PED	PED\Pueblo Nambe
Pueblo Laguna	Indian Education	PED	30,000	7/1/2014	6/30/2015	PED	PED\Pueblo Laguna
Pueblo of Jemez	Indian Education	PED	30,000	7/1/2014	6/30/2015	PED	PED\Pueblo of Jemez
Pueblo Cochiti	Indian Education	PED	30,000	7/1/2014	6/30/2015	PED	PED\Pueblo Cochiti
Pueblo San Felipe	Indian Education	PED	30,000	7/1/2014	6/30/2015	PED	PED\Pueblo San Felipe
Pueblo Pojoaque	Indian Education	PED	30,000	7/1/2014	6/30/2015	PED	PED\Pueblo Pojoaque
Pueblo Picuris	Indian Education	PED	30,000	7/1/2014	6/30/2015	PED	PED\Pueblo Picuris
Pueblo Santa Clara	Indian Education	PED	30,000	7/1/2014	6/30/2015	PED	PED\Pueblo Santa Clara
REC 9	POLICY	PED	40,000	7/1/2014	6/30/2015	PED	PED\REC 9
REC 6	Literacy	PED	204,682	7/1/2014	6/30/2015	PED	PED\REC 6

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		Party	Contract	Date	Ending Date	Responsibility	
REC 6	School Health	PED	15,000	7/1/2014	6/30/2015	PED	PED\REC 6
Central Schools	School Health	PED	624,463	7/1/2014	6/30/2015	PED	PED\Central Schools
REC 9	POLICY	PED	40,000	7/1/2014	6/30/2015	PED	PED\REC 9
Dulce Independent Schools	School Health	PED	331,476	7/1/2014	6/30/2015	PED	PED\Dulce Independent Schools
Magdalena Schools	Indian Education	PED	25,000	7/1/2014	6/30/2015	PED	PED\Magdalena Schools
Pueblo Isleta	Indian Education	PED	30,000	7/1/2014	6/30/2015	PED	PED\Pueblo Isleta
Central Consolidated Schools	Indian Education	PED	25,000	7/1/2014	6/30/2015	PED	PED\Central Consolidated Schools
Dulce Independent Schools	Indian Education	PED	25,000	7/1/2014	6/30/2015	PED	PED\Dulce Independent Schools
Aztec Schools	Indian Education	PED	25,000	7/1/2014	6/30/2015	PED	PED\Aztec Schools
U OF OKLAHOMA	POLICY	PED	1,774,883	7/1/2014	6/30/2015	PED	PED\U OF OKLAHOMA
APS	School Health	PED	255,212	7/1/2014	6/30/2015	PED	PED\APS
Bernalillo Schools	School Health	PED	312,563	7/1/2014	6/30/2015	PED	PED\Bernalillo Schools
Santa Fe Schools	School Health	PED	526,510	7/1/2014	6/30/2015	PED	PED\Santa Fe Schools
Las Cruces Schools	School Health	PED	315,330	7/1/2014	6/30/2015	PED	PED\Las Cruces Schools
Socorro Schools	School Health	PED	129,825	7/1/2014	6/30/2015	PED	PED\Socorro Schools
REC 6	School Health	PED	513,548	7/1/2014	6/30/2015	PED	PED\REC 6
Gadsden Schools	School Health	PED	876,999	7/1/2014	6/30/2015	PED	PED\Gadsden Schools
REC 4	Literacy	PED	209,428	7/1/2014	6/30/2015	PED	PED\REC 4
REC 3	CTWEB	PED	348,350	7/1/2014	6/30/2015	PED	PED\REC 3
Bloomfield Schools	Indian Education	PED	25,000	7/1/2014	6/30/2015	PED	PED\Bloomfield Schools
Espanola Schools	Indian Education	PED	25,000	7/1/2014	6/30/2015	PED	PED\Espanola Schools
Farmington Schools	Indian Education	PED	25,000	7/1/2014	6/30/2015	PED	PED\Farmington Schools
Pensaco Schools	Indian Education	PED	25,000	7/1/2014	6/30/2015	PED	PED\Pensaco Schools
APS	Indian Education	PED	25,000	7/1/2014	6/30/2015	PED	PED\APS
Rio Rancho Schools	Indian Education	PED	25,000	7/1/2014	6/30/2015	PED	PED\Rio Rancho Schools
Taos Schools	Indian Education	PED	25,000	7/1/2014	6/30/2015	PED	PED\Taos Schools
Native American Community Acad	Indian Education	PED	25,000	7/1/2014	6/30/2015	PED	PED\Native American Community Acad
Walatowa High Charter School	Indian Education	PED	25,000	7/1/2014	6/30/2015	PED	PED\Walatowa High Charter School
SWREC 10	Math & Science	PED	1,102,742	7/1/2014	6/30/2015	PED	PED\SWREC 10
REC VI	Bilingual Education	PED	254,880	7/1/2014	6/30/2015	PED	PED\REC VI
Farmington Schools	School Health	PED	146,876	7/1/2014	6/30/2015	PED	PED\Farmington Schools
UNM	School Health	PED	32,000	7/1/2014	6/30/2015	PED	PED\UNM
Jemez Mountain Schools	Indian Education	PED	25,000	7/1/2014	6/30/2015	PED	PED\Jemez Mountain Schools
Jicarilla Apache Tribe	Indian Education	PED	30,000	7/1/2014	6/30/2015	PED	PED\Jicarilla Apache Tribe
REC 9	CFO	PED	111,800	7/1/2014	6/30/2015	PED	PED\REC 9
NMAG	School Health	PED	85,000	7/1/2014	6/30/2015	PED	PED\NMAG
NMSU	Literacy	PED	270,000	7/1/2014	6/30/2015	PED	PED\NMSU
REC IX	Literacy	PED	609,393	7/1/2014	6/30/2015	PED	PED\REC IX
NMSU	Math & Science	PED	135,000	7/1/2014	6/30/2015	PED	PED\NMSU
Taos Consortium	School Health	PED	167,108	7/1/2014	6/30/2015	PED	PED\Taos Consortium
REC 9	ASD	PED	20,000	7/1/2014	6/30/2015	PED	PED\REC 9
NMSU	Math & Science	PED	1,198,936	7/1/2014	6/30/2016	PED	PED\NMSU
SF PS	Ed Quality	PED	10,300	7/1/2014	6/30/2015	PED	PED\SF PS
Aztec schools	IMB	PED	288,673	7/1/2014	6/30/2015	PED	PED\Aztec schools
Zuni Pueblo	Indian Education	PED	30,000	7/1/2014	6/30/2015	PED	PED\Zuni Pueblo
Okay Owingeh	Indian Education	PED	30,000	7/1/2014	6/30/2015	PED	PED\Okay Owingeh
Alamogordo schools	School Health	PED	12,950	7/1/2014	6/30/2015	PED	PED\Alamogordo schools
Socorro Schools	School Health	PED	12,950	7/1/2014	6/30/2015	PED	PED\Socorro Schools
Ruidoso Schools	School Health	PED	7,175	7/1/2014	6/30/2015	PED	PED\Ruidoso Schools
Silver School	School Health	PED	7,175	7/1/2014	6/30/2015	PED	PED\Silver School
Las Vegas City Schools	School Health	PED	418,775	7/1/2014	6/30/2014	PED	PED\Las Vegas City Schools
Gallup McKinley Schools	School Health	PED	1,305,018	7/1/2014	6/30/2015	PED	PED\Gallup McKinley Schools
ABQ Schools	School Health	PED	10,000	7/1/2014	6/30/2015	PED	PED\ABQ Schools
Alamogordo Schools	School Health	PED	7,461	7/1/2014	6/30/2015	PED	PED\Alamogordo Schools
Las Cruces Schools	School Health	PED	10,000	7/1/2014	6/30/2015	PED	PED\Las Cruces Schools
Walatowa High Charter School	School Health	PED	5,000	7/1/2014	6/30/2015	PED	PED\Walatowa High Charter School
REC 9	Assessment	PED	29,305	7/1/2014	12/31/2014	PED	PED\REC 9

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REC 9	Assessment	PED	255,875	7/1/2014	12/31/2014	PED	PED\REC 9
Navajo Nation	Indian Education	PED	30,000	7/1/2014	6/30/2015	PED	PED\Navajo Nation
UNM	School Health	PED	50,000	7/1/2014	6/30/2015	PED	PED\UNM
Grants Cibola Schools	Indian Education	PED	30,000	7/1/2014	6/30/2015	PED	PED\Grants Cibola Schools
Gallup McKinley Schools	Indian Education	PED	25,000	7/1/2014	6/30/2015	PED	PED\Gallup McKinley Schools
REC 9	Literacy	PED	380,410	7/1/2014	6/30/2015	PED	PED\REC 9
Central Reg. Ed. Cooperative 5	Literacy	PED	58,581	7/1/2014	6/30/2015	PED	PED\Central Reg. Ed. Cooperative 5
NM Institute of Mining	Literacy	PED	50,000	7/1/2014	6/30/2015	PED	PED\NM Institute of Mining
NMSU	Policy	PED	2,328,333	7/1/2014	6/30/2015	PED	PED\NMSU
NMHU	CTWEB	PED	177,325	7/1/2014	6/30/2015	PED	PED\NMHU
Laguna Dept. of Education	School Health	PED	89,316	7/1/2014	6/30/2015	PED	PED\Laguna Dept. of Education
Pojoaque Valley Schools	School Health	PED	25,000	7/1/2014	6/30/2015	PED	PED\Pojoaque Valley Schools
REC 9	School Health	PED	210,917	7/1/2014	6/30/2015	PED	PED\REC 9
Santa Fe Schools	Indian Education	PED	25,000	7/1/2014	6/30/2015	PED	PED\Santa Fe Schools
Cottonwood Classic Prep	School Health	PED	5,000	7/1/2014	6/30/2015	PED	PED\Cottonwood Classic Prep
Deming Public schools	School Health	PED	7,500	7/1/2014	6/30/2015	PED	PED\Deming Public schools
Cental Schools	School Health	PED	7,500	7/1/2014	6/30/2015	PED	PED\Cental Schools
Santa Fe Public Schools	School Health	PED	10,000	7/1/2014	6/30/2015	PED	PED\Santa Fe Public Schools
NMHU	CTWEB	PED	270,000	7/1/2014	6/30/2015	PED	PED\NMHU
CES	CTWEB	PED	26,250	7/1/2014	6/30/2015	PED	PED\CES
NMHU	Ed Quality	PED	377,590	7/1/2014	12/31/2014	PED	PED\NMHU
REC 9	Literacy	PED	223,876	7/1/2014	6/30/2015	PED	PED\REC 9
REC 7	School Health	PED	100,000	7/1/2014	6/30/2015	PED	PED\REC 7
Portales Schools	School Health	PED	5,000	7/1/2014	6/30/2015	PED	PED\Portales Schools
UNM	Charter School	PED	662,916	7/1/2014	6/30/2015	PED	PED\UNM
NMSU	Charter School	PED	425,694	7/1/2014	6/30/2015	PED	PED\NMSU
Rio Rancho Schools	Ed Quality	PED	50,000	7/1/2014	6/30/2015	PED	PED\Rio Rancho Schools
Academy for the Classics	ASD	PED	9,197	7/1/2014	6/30/2015	PED	PED\Academy for the Classics
Academy of trades and technology	ASD	PED	2,330	7/1/2014	6/30/2015	PED	PED\Academy of trades and technology
ACE High School	ASD	PED	5,543	7/1/2014	6/30/2015	PED	PED\ACE High School
AIMS @UNM	ASD	PED	7,222	7/1/2014	6/30/2015	PED	PED\AIMS @UNM
ABQ Charter Academy	ASD	PED	5,449	7/1/2014	6/30/2015	PED	PED\ABQ Charter Academy
ABQ School of Excellence	ASD	PED	7,288	7/1/2014	6/30/2015	PED	PED\ABQ School of Excellence
ABQ Sign language	ASD	PED	1,401	7/1/2014	6/30/2015	PED	PED\ABQ Sign language
ABQ Talent Secdry Charter	ASD	PED	3,625	7/1/2014	6/30/2015	PED	PED\ABQ Talent Secdry Charter
Aldo Leopold Charter School	ASD	PED	3,409	7/1/2014	6/30/2015	PED	PED\Aldo Leopold Charter School
Alice King Community School	ASD	PED	4,271	7/1/2014	6/30/2015	PED	PED\Alice King Community School
Alma de Arte Charter School	ASD	PED	4,119	7/1/2014	6/30/2015	PED	PED\Alma de Arte Charter School
Amy Biehl Charter	ASD	PED	6,296	7/1/2014	6/30/2015	PED	PED\Amy Biehl Charter
Anasi Charter	ASD	PED	1,844	7/1/2014	6/30/2015	PED	PED\Anasi Charter
Anthony Charter Schools	ASD	PED	1,312	7/1/2014	6/30/2015	PED	PED\Anthony Charter Schools
ASK Academy	ASD	PED	6,062	7/1/2014	6/30/2015	PED	PED\ASK Academy
Bataan Academy Charter School	ASD	PED	1,565	7/1/2014	6/30/2015	PED	PED\Bataan Academy Charter School
Carinos de los Ninos	ASD	PED	2,030	7/1/2014	6/30/2015	PED	PED\Carinos de los Ninos
Cesar Chavez Community Schl	ASD	PED	3,986	7/1/2014	6/30/2015	PED	PED\Cesar Chavez Community Schl
Christine Duncan Heritage	ASD	PED	3,501	7/1/2014	6/30/2015	PED	PED\Christine Duncan Heritage
Cien Aguas International	ASD	PED	5,111	7/1/2014	6/30/2015	PED	PED\Cien Aguas International
Coral Comm Charter School	ASD	PED	1,377	7/1/2014	6/30/2015	PED	PED\Coral Comm Charter School
Corrales Inter. School	ASD	PED	4,732	7/1/2014	6/30/2015	PED	PED\Corrales Inter. School
Cottonwood Classic Prep	ASD	PED	1,844	7/1/2014	6/30/2015	PED	PED\Cottonwood Classic Prep
Cottonwood Valley Charter	ASD	PED	2,544	7/1/2014	6/30/2015	PED	PED\Cottonwood Valley Charter
Creative Education Prep	ASD	PED	4,201	7/1/2014	6/30/2015	PED	PED\Creative Education Prep
Deming Ceasar Chavez Chartr	ASD	PED	1,954	7/1/2014	6/30/2015	PED	PED\Deming Ceasar Chavez Chartr
Digital Arts amd Tech Academy	ASD	PED	6,096	7/1/2014	6/30/2015	PED	PED\Digital Arts amd Tech Academy
East Mountain School	ASD	PED	6,049	7/1/2014	6/30/2015	PED	PED\East Mountain School
El Camino Rael Academy	ASD	PED	5,345	7/1/2014	6/30/2015	PED	PED\El Camino Rael Academy
Estancia Valley Academy	ASD	PED	7,492	7/1/2014	6/30/2015	PED	PED\Estancia Valley Academy

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		Party		Date	Ending Date	Responsibility	
Explore Academy	ASD	PED	3,401	7/1/2014	6/30/2015	PED	PED\Explore Academy
Gilbert Sena Charter School	ASD	PED	4,025	7/1/2014	6/30/2015	PED	PED\Gilbert Sena Charter School
Gordon Bernell Charter	ASD	PED	8,673	7/1/2014	6/30/2015	PED	PED\Gordon Bernell Charter
Great Academy	ASD	PED	2,107	7/1/2014	6/30/2015	PED	PED\Great Academy
Health Leaders High	ASD	PED	1,977	7/1/2014	6/30/2015	PED	PED\Health Leaders High
Health Sciences Academy	ASD	PED	4,406	7/1/2014	6/30/2015	PED	PED\Health Sciences Academy
Horizon Academy West	ASD	PED	5,018	7/1/2014	6/30/2015	PED	PED\Horizon Academy West
Mesa Del Sol Inter School	ASD	PED	3,501	7/1/2014	6/30/2015	PED	PED\Mesa Del Sol Inter School
J Paul Taylor	ASD	PED	2,824	7/1/2014	6/30/2015	PED	PED\J Paul Taylor
Jefferson Montessori Academy	ASD	PED	3,089	7/1/2014	6/30/2015	PED	PED\Jefferson Montessori Academy
La Academia Esperanza Charter	ASD	PED	8,226	7/1/2014	6/30/2015	PED	PED\La Academia Esperanza Charter
La Academia Dolores Huerta	ASD	PED	4,224	7/1/2014	6/30/2015	PED	PED\La Academia Dolores Huerta
La Jicarita Comm Schl	ASD	PED	560	7/1/2014	6/30/2015	PED	PED\LA Jicarita Comm Schl
LA Promesa Charter	ASD	PED	4,248	7/1/2014	6/30/2015	PED	PED\LA Promesa Charter
La Resolana Academy	ASD	PED	2,101	7/1/2014	6/30/2015	PED	PED\La Resolana Academy
La Tierra Montessori	ASD	PED	1,377	7/1/2014	6/30/2015	PED	PED\La Tierra Montessori
La Montana Charter	ASD	PED	3,072	7/1/2014	6/30/2015	PED	PED\La Montana Charter
Lindrith Area Heritage	ASD	PED	303	7/1/2014	6/30/2015	PED	PED\Lindrith Area Heritage
Los Puentes Charter	ASD	PED	4,054	7/1/2014	6/30/2015	PED	PED\Los Puentes Charter
MASTERS Program	ASD	PED	3,683	7/1/2014	6/30/2015	PED	PED\MASTERS Program
McCurdy Charter Schools	ASD	PED	10,459	7/1/2014	6/30/2015	PED	PED\McCurdy Charter Schools
Media Arts Charter	ASD	PED	4,958	7/1/2014	6/30/2015	PED	PED\Media Arts Charter
Middle College High	ASD	PED	1,000	7/1/2014	6/30/2015	PED	PED\Middle College High
Mission Achievement Success Chrtr	ASD	PED	9,863	7/1/2014	6/30/2015	PED	PED\Mission Achievement Success Chrtr
Monte Del Sol Chrter	ASD	PED	7,939	7/1/2014	6/30/2015	PED	PED\Monte Del Sol Chrter
Montessori Elementary	ASD	PED	5,275	7/1/2014	6/30/2015	PED	PED\Montessori Elementary
Montessori of the Rio Grande	ASD	PED	2,474	7/1/2014	6/30/2015	PED	PED\Montessori of the Rio Grande
Moreno Valley High	ASD	PED	1,436	7/1/2014	6/30/2015	PED	PED\Moreno Valley High
Mosaic Academy Charter	ASD	PED	3,267	7/1/2014	6/30/2015	PED	PED\Mosaic Academy Charter
Mountain Mahogany Community	ASD	PED	3,314	7/1/2014	6/30/2015	PED	PED\Mountain Mahogany Community
Native American Community Acad	ASD	PED	7,997	7/1/2014	6/30/2015	PED	PED\Native American Community Acad
New America School	ASD	PED	8,873	7/1/2014	6/30/2015	PED	PED\New America School
New America School of Las Cruces	ASD	PED	5,508	7/1/2014	6/30/2015	PED	PED\New America School of Las Cruces
NM Connections academy	ASD	PED	18,211	7/1/2014	6/30/2015	PED	PED\NM Connections academy
NM International School	ASD	PED	1,890	7/1/2014	6/30/2015	PED	PED\NM International School
NM SCHOOL FOR THE ARTS	ASD	PED	3,860	7/1/2014	6/30/2015	PED	PED\NM SCHOOL FOR THE ARTS
NM Virtual Academy	ASD	PED	11,909	7/1/2014	6/30/2015	PED	PED\NM Virtual Academy
North Valley Academy	ASD	PED	6,932	7/1/2014	6/30/2015	PED	PED\North Valley Academy
Nuestros Valores Charter	ASD	PED	2,660	7/1/2014	6/30/2015	PED	PED\Nuestros Valores Charter
Public Academy for Performing Arts	ASD	PED	8,455	7/1/2014	6/30/2015	PED	PED\Public Academy for Performing Arts
Red River Charter School	ASD	PED	1,214	7/1/2014	6/30/2015	PED	PED\Red River Charter School
Rio Gallinas School	ASD	PED	1,657	7/1/2014	6/30/2015	PED	PED\Rio Gallinas School
Robert F. Kennedy Charter	ASD	PED	5,606	7/1/2014	6/30/2015	PED	PED\Robert F. Kennedy Charter
Roots & Wings Community Schl	ASD	PED	700	7/1/2014	6/30/2015	PED	PED\Roots & Wings Community Schl
Sage Montessori Charter	ASD	PED	2,987	7/1/2014	6/30/2015	PED	PED\Sage Montessori Charter
San Diego Riverside	ASD	PED	1,330	7/1/2014	6/30/2015	PED	PED\San Diego Riverside
Taos School of Arts	ASD	PED	2,521	7/1/2014	6/30/2015	PED	PED\Taos School of Arts
School of Dreams	ASD	PED	7,979	7/1/2014	6/30/2015	PED	PED\School of Dreams
Sidney Gutierrez Chrtr Mid Schl	ASD	PED	1,494	7/1/2014	6/30/2015	PED	PED\Sidney Gutierrez Chrtr Mid Schl
Taos International Charter	ASD	PED	303	7/1/2014	6/30/2015	PED	PED\Taos International Charter
Tierra Adentro	ASD	PED	10,192	7/1/2014	6/30/2015	PED	PED\Tierra Adentro
Tierra Encantada Charter School	ASD	PED	3,594	7/1/2014	6/30/2015	PED	PED\Tierra Encantada Charter School
Turquoise Trail Charter Schl	ASD	PED	7,476	7/1/2014	6/30/2015	PED	PED\Turquoise Trail Charter Schl
Twenty First Century Charter	ASD	PED	3,803	7/1/2014	6/30/2015	PED	PED\Twenty First Century Charter
Uplift Community Schl	ASD	PED	2,451	7/1/2014	6/30/2015	PED	PED\Uplift Community Schl
Vista Grande High Schl	ASD	PED	5,415	7/1/2014	6/30/2015	PED	PED\Vista Grande High Schl
Walatowa High Charter School	ASD	PED	4,685	7/1/2014	6/30/2015	PED	PED\Walatowa High Charter School

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		Party	Contract	Date	Ending Date	Responsibility	
Will & Josephine Dorn Charter	ASD	PED	4,201	7/1/2014	6/30/2015	PED	PED\Will & Josephine Dorn Charter
Alamogordo Schools	ASD	PED	96,096	7/1/2014	6/30/2015	PED	PED\Alamogordo Schools
Albuquerque Schools	ASD	PED	1,460,072	7/1/2014	6/30/2015	PED	PED\Albuquerque Schools
Animas Schools	ASD	PED	2,236	7/1/2014	6/30/2015	PED	PED\Animas Schools
Artesia Schools	ASD	PED	69,461	7/1/2014	6/30/2015	PED	PED\Artesia Schools
Aztec Schools	ASD	PED	53,299	7/1/2014	6/30/2015	PED	PED\Aztec Schools
Belen Schools	ASD	PED	67,766	7/1/2014	6/30/2015	PED	PED\Belen Schools
Bernalillo Schools	ASD	PED	47,131	7/1/2014	6/30/2015	PED	PED\Bernalillo Schools
Bloomfield Schools	ASD	PED	51,563	7/1/2014	6/30/2015	PED	PED\Bloomfield Schools
Capitan Schools	ASD	PED	8,461	7/1/2014	6/30/2015	PED	PED\Capitan Schools
Carlsbad Schools	ASD	PED	104,958	7/1/2014	6/30/2015	PED	PED\Carlsbad Schools
Carrizozo Schools	ASD	PED	2,505	7/1/2014	6/30/2015	PED	PED\Carrizozo Schools
Central Consolidated Schools	ASD	PED	98,422	7/1/2014	6/30/2015	PED	PED\Central Consolidated Schools
Chama Valley Schools	ASD	PED	6,368	7/1/2014	6/30/2015	PED	PED\Chama Valley Schools
Cimarron Schools	ASD	PED	6,454	7/1/2014	6/30/2015	PED	PED\Cimarron Schools
Clayton Schools	ASD	PED	7,860	7/1/2014	6/30/2015	PED	PED\Clayton Schools
Cloudcroft Schools	ASD	PED	6,625	7/1/2014	6/30/2015	PED	PED\Cloudcroft Schools
Clovis Schools	ASD	PED	133,590	7/1/2014	6/30/2015	PED	PED\Clovis Schools
Cobre Schools	ASD	PED	23,175	7/1/2014	6/30/2015	PED	PED\Cobre Schools
Corona schools	ASD	PED	1,042	7/1/2014	6/30/2015	PED	PED\Corona schools
Cuba Schools	ASD	PED	10,509	7/1/2014	6/30/2015	PED	PED\Cuba Schools
Deming Public schools	ASD	PED	90,752	7/1/2014	6/30/2015	PED	PED\Deming Public schools
Des Moines Schools	ASD	PED	1,451	7/1/2014	6/30/2015	PED	PED\Des Moines Schools
Dexter Schools	ASD	PED	18,307	7/1/2014	6/30/2015	PED	PED\Dexter Schools
Dora Consl Schools	ASD	PED	4,002	7/1/2014	6/30/2015	PED	PED\Dora Consl Schools
Dulce Independent Schools	ASD	PED	11,373	7/1/2014	6/30/2015	PED	PED\Dulce Independent Schools
Elida Schools	ASD	PED	2,108	7/1/2014	6/30/2015	PED	PED\Elida Schools
Espanola Schools	ASD	PED	63,078	7/1/2014	6/30/2015	PED	PED\Espanola Schools
Estancia Schools	ASD	PED	13,123	7/1/2014	6/30/2015	PED	PED\Estancia Schools
Eunice Schools	ASD	PED	12,075	7/1/2014	6/30/2015	PED	PED\Eunice Schools
Farmington Schools	ASD	PED	184,178	7/1/2014	6/30/2015	PED	PED\Farmington Schools
Floyd Schools	ASD	PED	3,817	7/1/2014	6/30/2015	PED	PED\Floyd Schools
Fort Sumner Schools	ASD	PED	4,906	7/1/2014	6/30/2015	PED	PED\Fort Sumner Schools
Gadsden Schools	ASD	PED	233,376	7/1/2014	6/30/2015	PED	PED\Gadsden Schools
Gallup McKinley Schools	ASD	PED	193,165	7/1/2014	6/30/2015	PED	PED\Gallup McKinley Schools
Grady Schools	ASD	PED	2,214	7/1/2014	6/30/2015	PED	PED\Grady Schools
Grants Cibola Schools	ASD	PED	60,278	7/1/2014	6/30/2015	PED	PED\Grants Cibola Schools
Hagerman Schools	ASD	PED	7,443	7/1/2014	6/30/2015	PED	PED\Hagerman Schools
Hatch Valley Schools	ASD	PED	23,754	7/1/2014	6/30/2015	PED	PED\Hatch Valley Schools
Hobbs Schools	ASD	PED	168,221	7/1/2014	6/30/2015	PED	PED\Hobbs Schools
Hondo Valley Schools	ASD	PED	2,248	7/1/2014	6/30/2015	PED	PED\Hondo Valley Schools
House Schools	ASD	PED	1,243	7/1/2014	6/30/2015	PED	PED\House Schools
Jal Schools	ASD	PED	7,595	7/1/2014	6/30/2015	PED	PED\Jal Schools
Jemez Mountain Schools	ASD	PED	4,153	7/1/2014	6/30/2015	PED	PED\Jemez Mountain Schools
Jemez Valley Schools	ASD	PED	5,526	7/1/2014	6/30/2015	PED	PED\Jemez Valley Schools
Lake Arthur Schools	ASD	PED	1,789	7/1/2014	6/30/2015	PED	PED\Lake Arthur Schools
Las Cruces Schools	ASD	PED	392,950	7/1/2014	6/30/2015	PED	PED\Las Cruces Schools
Las Vegas City Schools	ASD	PED	30,871	7/1/2014	6/30/2015	PED	PED\Las Vegas City Schools
Logan Schools	ASD	PED	4,904	7/1/2014	6/30/2015	PED	PED\Logan Schools
Lordsburg Schools	ASD	PED	7,513	7/1/2014	6/30/2015	PED	PED\Lordsburg Schools
Los Alamos Schools	ASD	PED	61,579	7/1/2014	6/30/2015	PED	PED\Los Alamos Schools
Los Lunas Public Schools	ASD	PED	139,956	7/1/2014	6/30/2015	PED	PED\Los Lunas Public Schools
Loving Schools	ASD	PED	9,811	7/1/2014	6/30/2015	PED	PED\Loving Schools
Lovington Schools	ASD	PED	61,519	7/1/2014	6/30/2015	PED	PED\Lovington Schools
Magdalena Schools	ASD	PED	6,251	7/1/2014	6/30/2015	PED	PED\Magdalena Schools
Maxwell Schools	ASD	PED	1,989	7/1/2014	6/30/2015	PED	PED\Maxwell Schools
Melrose Schools	ASD	PED	3,161	7/1/2014	6/30/2015	PED	PED\Melrose Schools

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
JOINT POWERS AGREEMENTS, MEMORANDA OF UNDERSTANDING
AND INTER-GOVERNMENTAL AGREEMENTS (CONTINUED)
June 30, 2015

Contractor	Scope of Work	Responsible Party	Amount of Contract	Beginning Date	Ending Date	Audit Responsibility	Agency Reporting Revenue/Expense
Mesa Vista Schools	ASD	PED	6,195	7/1/2014	6/30/2015	PED	PED\Mesa Vista Schools
Mora Schools	ASD	PED	7,645	7/1/2014	6/30/2015	PED	PED\Mora Schools
Moriarity Edgewood Schools	ASD	PED	44,672	7/1/2014	6/30/2015	PED	PED\Moriarity Edgewood Schools
Mosquero Schls	ASD	PED	785	7/1/2014	6/30/2015	PED	PED\Mosquero Schls
Mountainair Schools	ASD	PED	4,776	7/1/2014	6/30/2015	PED	PED\Mountainair Schools
Pecos Schools	ASD	PED	10,216	7/1/2014	6/30/2015	PED	PED\Pecos Schools
Penasco Schools	ASD	PED	6,110	7/1/2014	6/30/2015	PED	PED\Penasco Schools
Pojoaque Valley Schools	ASD	PED	35,324	7/1/2014	6/30/2015	PED	PED\Pojoaque Valley Schools
Portales Schools	ASD	PED	45,732	7/1/2014	6/30/2015	PED	PED\Portales Schools
Quemado Schools	ASD	PED	2,131	7/1/2014	6/30/2015	PED	PED\Quemado Schools
Questa Schools	ASD	PED	5,868	7/1/2014	6/30/2015	PED	PED\Questa Schools
Raton Schools	ASD	PED	15,070	7/1/2014	6/30/2015	PED	PED\Raton Schools
Reserve Independent Schools	ASD	PED	2,258	7/1/2014	6/30/2015	PED	PED\Reserve Independent Schools
Rio Rancho Schools	ASD	PED	295,292	7/1/2014	6/30/2015	PED	PED\Rio Rancho Schools
Roswell Indp. Schools	ASD	PED	168,794	7/1/2014	6/30/2015	PED	PED\Roswell Indp. Schools
Roy Schools	ASD	PED	620	7/1/2014	6/30/2015	PED	PED\Roy Schools
Ruidoso Schools	ASD	PED	35,161	7/1/2014	6/30/2015	PED	PED\Ruidoso Schools
San Jon Schools	ASD	PED	2,350	7/1/2014	6/30/2015	PED	PED\San Jon Schools
Santa Fe Schools	ASD	PED	218,991	7/1/2014	6/30/2015	PED	PED\Santa Fe Schools
Santa Rosa Schools	ASD	PED	11,278	7/1/2014	6/30/2015	PED	PED\Santa Rosa Schools
Silver Consl Schools	ASD	PED	48,859	7/1/2014	6/30/2015	PED	PED\Silver Consl Schools
Socorro Schools	ASD	PED	29,131	7/1/2014	6/30/2015	PED	PED\Socorro Schools
Springer Schools	ASD	PED	2,745	7/1/2014	6/30/2015	PED	PED\Springer Schools
Taos Schools	ASD	PED	42,791	7/1/2014	6/30/2015	PED	PED\Taos Schools
Tatum Schools	ASD	PED	6,378	7/1/2014	6/30/2015	PED	PED\Tatum Schools
Texico Schools	ASD	PED	9,924	7/1/2014	6/30/2015	PED	PED\Texico Schools
T or C Schools	ASD	PED	20,977	7/1/2014	6/30/2015	PED	PED\T or C Schools
Tucumcari Schools	ASD	PED	15,969	7/1/2014	6/30/2015	PED	PED\Tucumcari Schools
Tularosa Schools	ASD	PED	16,226	7/1/2014	6/30/2015	PED	PED\Tularosa Schools
Vaughn Schools	ASD	PED	1,356	7/1/2014	6/30/2015	PED	PED\Vaughn Schools
Wagon Mound Schools	ASD	PED	1,042	7/1/2014	6/30/2015	PED	PED\Wagon Mound Schools
West Las Vegas Schools	ASD	PED	23,343	7/1/2014	6/30/2015	PED	PED\West Las Vegas Schools
Zuni Schools	ASD	PED	19,743	7/1/2014	6/30/2015	PED	PED\Zuni Schools
ABQ Schools	School Health	PED	15,000	7/1/2014	6/30/2015	PED	PED\ABQ Schools
West Las Vegas Schools	School Health	PED	5,000	7/1/2014	6/30/2015	PED	PED\West Las Vegas Schools
Lordsburg Schools	School Health	PED	5,000	7/1/2014	6/30/2015	PED	PED\Lordsburg Schools
Gallup McKinley Schools	School Health	PED	7,500	7/1/2014	6/30/2015	PED	PED\Gallup McKinley Schools
REC 9	Assessment	PED	295,952	7/1/2014	6/30/2015	PED	PED\REC 9
High Plains REC 3	IT	PED	160,000	7/1/2014	6/30/2015	PED	PED\High Plains REC 3
Bernalillo Schools	School Health	PED	7,500	7/1/2014	6/30/2015	PED	PED\Bernalillo Schools
ENMU	Charter School	PED	571,667	7/1/2014	6/30/2015	PED	PED\ENMU
NM School for the Blind	CTWEB	PED	10,000	7/1/2014	6/30/2015	PED	PED\NM School for the Blind
REC IV	Bilingual Education	PED	42,963	7/1/2014	6/30/2015	PED	PED\REC IV
REC 9	Literacy	PED	200,002	7/1/2014	6/30/2015	PED	PED\REC 9
Davis Innovations	IT	PED	34,025	7/1/2014	6/30/2015	PED	PED\Davis Innovations
Northern NM University	Indian Education	PED	282,026	7/1/2014	6/30/2015	PED	PED\Northern NM University
High Plains REC 3	IT	PED	60,000	7/1/2014	6/30/2015	PED	PED\High Plains REC 3
REC 9	Literacy	PED	231,516	7/1/2014	6/30/2015	PED	PED\REC 9
Horizons of NM	IT	PED	70,000	7/1/2014	6/30/2015	PED	PED\Horizons of NM
Native American Community Acad	Policy	PED	83,850	7/1/2014	6/30/2015	PED	PED\Native American Community Acad
Santa Fe Public Schools	Policy	PED	127,000	7/1/2014	6/30/2015	PED	PED\Santa Fe Public Schools
REC 3	IT	PED	84,682	7/1/2014	6/30/2015	PED	PED\REC 3
ENMU	Policy	PED	655,524	7/1/2014	6/30/2015	PED	PED\ENMU
ENMU	Policy	PED	20,000	7/1/2014	6/30/2015	PED	PED\ENMU
REC 9	Policy	PED	120,000	7/1/2014	6/30/2015	PED	PED\REC 9

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF MULTI-YEAR BUDGETED SPECIAL CAPITAL OUTLAY FUND
PUBLIC SCHOOL CAPITAL IMPROVEMENTS - FUND 63400
For the Year Ended June 30, 2015

	Project Authorization	Prior Years	Current Year	Total to Date
CASH RECEIPTS				
Laws of 2001, CH 338 (SSTB 2009-2010)	\$ 18,500,000	18,315,111	164,751	18,479,862
Laws of 2001, CH 338 (SSTB 2008-2009)	20,000,000	17,789,824	234,261	18,024,085
Laws of 2001, CH 338 (SSTB 2007-2008)	20,500,000	18,978,783	-	18,978,783
Laws of 2001, CH 338 (SSTB 2006-2007)	18,500,000	18,001,324	-	18,001,324
Laws of 2001, CH 338 (SSTB 2005-2006)	20,001,934	17,981,305	-	17,981,305
Laws of 2001, CH 338 (SSTB 2004-2005)	13,200,000	13,037,930	-	13,037,930
Laws of 2001, CH 338 (SSTB 2003-2004)	14,200,000	13,398,000	-	13,398,000
Laws of 2001, CH 338 (SSTB 2001-2002)	8,500,000	7,741,009	-	7,741,009
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 1996, CH 13 GO Bonds 1996-1997	5,000,000	4,995,360	-	4,995,360
Laws of 1995, CH 13 General Fund, 1995-1996, p182	7,000,000	7,000,000	-	7,000,000
Laws of 1994, CH 148 General Fund, 1994-1995 s.53 p.1489	9,600,000	9,600,000	-	9,600,000
Adjustments	-	442,770	-	442,770
TOTAL CASH RECEIPTS	174,530,234	166,844,131	399,012	167,243,144
CASH OUTLAYS				
Laws of 2001, CH 338 (SSTB 2009-2010)	18,500,000	18,564,508	466,489	19,030,997
Laws of 2001, CH 338 (SSTB 2008-2009)	20,000,000	17,645,067	310,819	17,955,886
Laws of 2001, CH 338 (SSTB 2007-2008)	20,500,000	18,760,602	-	18,760,602
Laws of 2001, CH 338 (SSTB 2006-2007)	18,500,000	17,932,990	-	17,932,990
Laws of 2001, CH 338 (SSTB 2005-2006)	20,001,934	18,035,011	-	18,035,011
Laws of 2001, CH 338 (SSTB 2004-2005)	13,200,000	13,037,930	-	13,037,930
Laws of 2001, CH 338 (SSTB 2003-2004)	14,200,000	13,398,000	-	13,398,000
Laws of 2001, CH 338 (SSTB 2001-2002)	8,500,000	7,863,033	-	7,863,033
Laws of 2000, CH 15 General Fund 2000-2001	5,732,800	3,648,024	-	3,648,024
Laws of 1999, CH 3 General Fund 1999-2000	6,595,500	5,411,351	-	5,411,351
Laws of 1998, CH 116 General Fund 1998-1999	7,200,000	6,061,387	-	6,061,387
Laws of 1996, CH 13 GO Bonds 1996-1997	5,000,000	5,000,000	-	5,000,000
Laws of 1995, CH 13 General Fund, 1995-1996, p182	7,000,000	7,374,812	-	7,374,812
Laws of 1994, CH 148 General Fund, 1994-1995 s.53 p.1489	9,600,000	9,300,170	-	9,300,170
TOTAL CASH OUTLAYS	174,530,234	162,032,886	777,309	162,810,195
EXCESS OF CASH RECEIVED OVER CASH OUTLAYS	\$ -	4,811,245	(378,296)	4,432,949
RECEIVABLES, June 30, 2015				\$ -
LIABILITIES, June 30, 2015				(4,367,738)
FUND BALANCE, June 30, 2015				\$ 65,211

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STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF MULTI-YEAR BUDGETED SPECIAL CAPITAL OUTLAY FUND
PUBLIC SCHOOL CAPITAL OUTLAY - FUND 63500
For the Year Ended June 30, 2015

	Project Authorization	Prior Years	Current Year	TOTAL TO DATE
CASH RECEIPTS				
Laws of 2001, Ch 338 (STB04-05)	\$ 16,969,586	13,323,620	-	13,323,620
2003-04 Severance Tax Bonds	86,087,753	84,855,225	-	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
Lottery allocation 00-01	15,000,000	14,005,489	-	14,005,489
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 (GOB 9807)	10,000,000	9,883,957	-	9,883,957
Lottery 97-98 allocation (9802)	17,500,000	10,154,830	-	10,154,830
Lottery 96-97 allocation	7,194,579	7,194,579	-	7,194,579
Lottery 96-97 allocation	-	7,983,327	-	7,983,327
Transfers	-	268,441	-	268,441
Reversion	(1,427,409)	-	-	-
TOTAL CASH RECEIPTS	390,400,821	386,874,706	-	386,874,706
CASH OUTLAYS				
Laws of 2001, Ch 338 (STB04-05)	16,969,586	10,844,357	-	10,844,357
2003-04 Severance Tax Bonds	86,087,753	7,968	-	7,968
2002-03 Severance Tax Bonds	95,676,311	78,116,453	-	78,116,453
Laws of 2002, Ch 44 (General Fund-1420)	1,000,000	102,374,067	-	102,374,067
2001-02 Severance Tax Bonds	99,140,730	19,041	-	19,041
Lottery 2001-02	3,859,271	914,800	-	914,800
2000-01, General Obligation Bonds	5,000,000	99,476,105	-	99,476,105
Lottery allocation 00-01	15,000,000	4,008,200	-	4,008,200
Lottery 99-00 allocation (9904)	10,000,000	5,026,023	-	5,026,023
Lottery 99-00 allocation	-	14,233,863	-	14,233,863
Laws of 1998, Ch 7 and 118 (STBs 9803 & 9804)	6,400,000	9,997,194	-	9,997,194
Lottery 98-99 allocation (9806)	13,000,000	6,310,471	-	6,310,471
Laws of 1998, Ch 5(General Fund 9805)	5,000,000	13,036,343	-	13,036,343
Laws of 1998, Ch 87 (GOB 9807)	10,000,000	5,047,630	-	5,047,630
Lottery 97-98 allocation (9802)	17,500,000	10,003,582	-	10,003,582
Lottery 96-97 allocation	7,194,579	17,497,199	-	17,497,199
Lottery 96-97 allocation	-	7,145,925	-	7,145,925
Transfers	(1,427,409)	1,039,745	-	1,039,745
Adjustments	-	672,696	-	672,696
TOTAL CASH OUTLAYS	390,400,821	385,771,662	-	385,771,662
EXCESS OF CASH RECEIVED OVER CASH OUTLAYS	\$ -	1,103,044	-	1,103,044
RECEIVABLES, June 30, 2015				\$ -
PAYABLES, June 30, 2015				-
FUND BALANCE, June 30, 2015				\$ 1,103,044

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STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF MULTI-YEAR BUDGETED SPECIAL CAPITAL OUTLAY FUND
SPECIAL CAPITAL OUTLAY SEVERANCE TAX BONDS 2000 - FUND 81300
For the Year Ended June 30, 2015

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>
CASH RECEIPTS				
Laws of 2003, CH 429 (STB)	\$ 20,000	20,000	-	20,000
Laws of 2002, CH 110 Sec 23 (STB)	15,332,920	13,211,294	-	13,211,294
Reversions	(721,570)	-	-	-
Laws of 2000, CH 23, Sec. 16 (STB)	10,720,080	10,144,393	-	10,144,393
Reversions	(50,000)	-	-	-
	-	109,356	-	109,356
TOTAL CASH RECEIPTS	<u>25,301,430</u>	<u>23,485,043</u>	-	<u>23,485,043</u>
CASH OUTLAYS				
Laws of 2003, CH 429 (STB)	20,000	40,000	-	40,000
Laws of 2002, CH 110 Sec 23 (STB)	15,332,920	13,247,902	-	13,247,902
Reversions	(721,570)	-	-	-
Laws of 2000, CH 23, Sec. 16 (STB)	10,720,080	10,251,458	-	10,251,458
Reversions	(50,000)	-	-	-
Adjustment	-	(244,073)	-	(244,073)
Transfer	-	152,659	-	152,659
TOTAL CASH OUTLAYS	<u>25,301,430</u>	<u>23,447,946</u>	-	<u>23,447,946</u>
EXCESS OF CASH RECEIVED OVER CASH OUTLAYS	<u>\$ -</u>	<u>37,097</u>	-	<u>37,097</u>
RECEIVABLES, June 30, 2015				\$ -
PAYABLES, June 30, 2015				-
FUND BALANCE, June 30, 2015				<u>\$ (37,097)</u>

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STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF MULTI-YEAR BUDGETED SPECIAL CAPITAL OUTLAY FUND
SPECIAL CAPITAL OUTLAY SEVERENCE TAX BONDS 2004 - FUND 81600
For the Year Ended June 30, 2015

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>
CASH RECEIPTS				
Laws of 2010, CH3, Sec 10 C 3 (GOB)	\$ 500,000	499,998	-	499,998
Laws of 2010, CH3, Sec 10 C 2 (GOB)	2,000,000	1,524,874	365,541	1,890,415
Laws of 2010, CH3, Sec 10 C 1 (GOB)	2,000,000	1,731,199	-	1,731,199
Laws of 2010, CH3, Sec 10 B (GOB)	2,000,000	1,809,105	37,936	1,847,041
Laws of 2010, CH7, Sec 3 (STB)	2,873,589	371,794	-	371,794
Laws of 2009, CH7 (STB)	2,873,516	1,947,709	-	1,947,709
Laws of 2010, CH 4, Sec 34 (STB)	100,000	100,000	-	100,000
BOF Reversions	(100,000)	-	-	-
Laws of 2008, Ch 80 (GOB)	3,000,000	2,938,932	-	2,938,932
Laws of 2009, CH 125 Sec 16 (STB)	7,000,000	4,999,999	-	4,999,999
BOF Reversions	(2,000,000)	-	-	-
Laws of 2008 CH 92 (STB)	12,828,469	11,816,087	-	11,816,087
Change in authorization FY 2010	700,000	-	-	-
Change in authorization FY 2010	(320,469)	-	-	-
BOF Reversions	(700,000)	-	-	-
Art in Public Places	(64,630)	-	-	-
Transfers	-	-	-	-
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	2,577,855	-	2,577,855
BOF Reversions	(422,145)	-	-	-
Laws of 2006 CH 111 (STB)	19,247,200	17,626,928	-	17,626,928
Change in authorization FY 2010	(235,000)	-	-	-
Change in authorization FY 2010	(364,607)	-	-	-
Change in authorization FY 2010	112,377	-	-	-
Art in Public Places	(72,500)	-	-	-
BOF Reversions	(41,243)	-	-	-
Laws of 2005, CH 347 (STB)	12,678,400	12,160,756	-	12,160,756
Change in authorization FY 2010	150,000	-	-	-
Change in authorization FY 2010	(402,809)	-	-	-
Art in Public Places	(10,400)	-	-	-
BOF Reversions	(210,752)	-	-	-
Laws of 2004, CH 117 (GOB)	11,156,000	10,992,308	-	10,992,308
Transfers	(4,619,877)	-	-	-
Other	(6,935)	-	-	-
BOF Reversions	(90,373)	-	-	-
BOF Reversions	(73,318)	-	-	-
Laws of 2004, CH 126 (STB)	10,963,000	10,530,802	-	10,530,802
Change in authorization FY 2010	(150,000)	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF MULTI-YEAR BUDGETED SPECIAL CAPITAL OUTLAY FUND
SPECIAL CAPITAL OUTLAY SEVERENCE TAX BONDS 2004 - FUND 81600 (CONTINUED)
For the Year Ended June 30, 2015

	Project Authorization	Prior Years	Current Year	Total to Date
CASH RECEIPTS (CONTINUED)				
Change in authorization FY 2010	\$ (686)	-	-	-
Art in Public Places	(14,700)	-	-	-
BOF Reversions	(257,155)	-	-	-
Laws of 2003, CH 429 (STB)	8,975,613	8,729,660	-	8,729,660
Change in authorization FY 2010	24,453	-	-	-
BOF/PED adjustment	20,000	(35,000)	-	(35,000)
Change in authorization FY 2010	(996)	-	-	-
BOF Reversions	(275,547)	-	-	-
Art in Public Places	(1,050)	-	-	-
Laws of 2002, CH 110 (STB)	309,034	322,522	-	322,522
BOF/PED adjustment	-	45,749	-	45,749
BOF Reversions	(2,544)	-	-	-
TOTAL CASH RECEIPTS	92,370,915	90,988,277	403,477	91,391,754
CASH OUTLAYS				
Laws of 2010, CH3, Sec 10 C 3 (GOB)	500,000	499,998	-	499,998
Laws of 2010, CH3, Sec 10 C 2 (GOB)	2,000,000	2,000,000	-	2,000,000
Laws of 2010, CH3, Sec 10 C 1 (GOB)	2,000,000	1,872,676	-	1,872,676
Laws of 2010, CH3, Sec 10 B (GOB)	2,000,000	2,000,000	-	2,000,000
Laws of 2010, CH7, Sec 3 (STB)	2,873,589	437,475	425,465	862,940
Laws of 2009, CH7 (STB)	2,873,516	1,947,709	-	1,947,709
Laws of 2010, CH 4, Sec 34 (STB)	100,000	100,000	-	100,000
BOF Reversions	(100,000)	-	-	-
Laws of 2008, Ch 80 (GOB)	3,000,000	3,000,000	-	3,000,000
Laws of 2009, CH 125 Sec 16 (STB)	7,000,000	4,999,999	-	4,999,999
BOF Reversions	(2,000,000)	-	-	-
Laws of 2008 CH 92 (STB)	12,828,469	11,801,140	-	11,801,140
Change in authorization FY 2010	700,000	-	-	-
Change in authorization FY 2010	(320,469)	-	-	-
BOF Reversions	(700,000)	-	-	-
Art in Public Places	(64,630)	5,880	-	5,880
Transfers	-	-	-	-
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	2,432,794	-	2,432,794
BOF Reversions	(422,145)	-	-	-
Laws of 2006 CH 111 (STB)	19,247,200	17,522,160	-	17,522,160
Change in authorization FY 2010	(235,000)	-	-	-
Change in authorization FY 2010	(364,607)	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF MULTI-YEAR BUDGETED SPECIAL CAPITAL OUTLAY FUND
SPECIAL CAPITAL OUTLAY SEVERENCE TAX BONDS 2004 - FUND 81600 (CONTINUED)
For the Year Ended June 30, 2015

	Project Authorization	Prior Years	Current Year	Total to Date
CASH OUTLAYS (CONTINUED)				
Change in authorization FY 2010	\$ 112,377	-	-	-
Art in Public Places	(72,500)	-	-	-
BOF Reversions	(41,243)	-	-	-
Laws of 2005, CH 347 (STB)	12,678,400	12,258,185	-	12,258,185
Change in authorization FY 2010	150,000	-	-	-
Change in authorization FY 2010	(402,809)	-	-	-
Art in Public Places	(10,400)	-	-	-
BOF Reversions	(210,752)	-	-	-
Laws of 2004, CH 117 (GOB)	11,156,000	10,953,095	-	10,953,095
Transfers	(4,619,877)	-	-	-
Other	(6,935)	-	-	-
BOF Reversions	(90,373)	-	-	-
BOF Reversions	(73,318)	-	-	-
Laws of 2004, CH 126 (STB)	10,963,000	10,099,687	-	10,099,687
Change in authorization FY 2010	(150,000)	-	-	-
Change in authorization FY 2010	(686)	-	-	-
Art in Public Places	(14,700)	-	-	-
BOF Reversions	(257,155)	-	-	-
Laws of 2003, CH 429 (STB)	8,975,613	9,088,354	-	9,088,354
Change in authorization FY 2010	24,453	-	-	-
BOF/PED adjustment	20,000	-	-	-
Change in authorization FY 2010	(996)	-	-	-
BOF Reversions	(275,547)	-	-	-
Art in Public Places	(1,050)	-	-	-
Laws of 2002, CH 110 (STB)	309,034	218,145	-	218,145
BOF/PED adjustment	-	(477,079)	-	(477,079)
BOF Reversions	(2,544)	-	-	-
Transfers	-	(234,709)	-	(234,709)
TOTAL CASH OUTLAYS	<u>92,370,915</u>	<u>90,822,509</u>	<u>425,465</u>	<u>91,247,974</u>
EXCESS OF CASH RECEIVED OVER CASH OUTLAYS	<u>\$ -</u>	<u>165,768</u>	<u>(21,988)</u>	<u>143,781</u>
OTHER ASSETS, June 30, 2015				\$ 38,186
PAYABLES, June 30, 2015				<u>(24,347)</u>
FUND BALANCE (DEFICIT), June 30, 2015				<u>\$ 157,620</u>

See Independent Auditors Report

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF MULTI-YEAR BUDGETED SPECIAL CAPITAL OUTLAY FUND
SPECIAL CAPITAL OUTLAY - GENERAL FUND - FUND 81800
For the Year Ended June 30, 2015

	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
Reversions 2010	(53,408)	-	-	-
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	3,280,800	-	3,280,800
Reversions 2010	(151,803)	-	-	-
Reauthorization, Laws of 2006, Ch. 107, Sec 147	(100,000)	-	-	-
Laws of 2003 CH 385	880,300	880,300	-	880,300
Reversion-Reduction in Auth, Laws of 2003, Ch. 385 (HB9)	(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 2010	(636,869)	-	-	-
Laws of 2005 CH 347 Sec 48	20,060,590	20,060,590	-	20,060,590
Reversions 2010	(715,395)	-	-	-
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	25,626,000	-	25,626,000
Reauthorization, Laws of 2007, Ch 341, item 328	(200,000)	-	-	-
Reversions 2010	(1,047,787)	-	-	-
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
Reversions 2012	-	-	-	-
Laws of 2007, Ch. 42, Sec. 55	52,305,034	52,397,149	-	52,397,149
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
Reversions 2010	(6,521,951)	-	-	-
Reauthorization, Laws of 2007, Ch 42, Sec 55	(2,640,000)	-	-	-
Laws of 2007, Ch 341, Sec 232, 204, 205, 207, 209, 232, 333	2,421,000	2,421,000	-	2,421,000
Laws of 2008, Ch. 92, Sec. 44	18,980,000	19,008,465	-	19,008,465
Reversions 2010	(3,213,650)	-	-	-
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	1,453,425	-	1,453,425
Refunds/cancelled warrants		21,954	9,185	31,140
Reversions of 2012	(6,536)	6,921	-	6,921
Transfers		368,113	(54,858)	313,255

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF MULTI-YEAR BUDGETED SPECIAL CAPITAL OUTLAY FUND
SPECIAL CAPITAL OUTLAY - GENERAL FUND - FUND 81800 (CONTINUED)
For the Year Ended June 30, 2015

	Project Authorization	Prior Years	Current Year	Total to Date
CASH RECEIPTS (CONTINUED)				
Adjustments	\$ -	24,872	-	24,872
TOTAL CASH RECEIPTS	146,320,451	163,033,138	(45,673)	162,987,465
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
Reversions 2010	(53,408)	53,408	-	53,408
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	3,401,611	-	3,401,611
Reversions 2010	(151,803)	151,803	-	151,803
Reauthorization, Laws of 2006, Ch. 107, Sec 147	(100,000)	100,000	-	100,000
Laws of 2003 CH 385	880,300	531,009	-	531,009
Reversion-Reduction in Auth, Laws of 2003, Ch. 385	(75,000)	-	-	-
Laws of 2004 CH 126 Sec 145	500,000	126,074	-	126,074
Laws of 2004 CH 126 Sec 136 & 137	21,330,831	20,583,475	-	20,583,475
Reversion- Reduction in Auth, Laws of 2004, Ch. 126	(45,000)	-	-	-
Reversions 2010	(636,869)	636,869	-	636,869
Laws of 2005 CH 347 Sec 48	20,060,590	19,554,219	-	19,554,219
Reversions 2010	(715,395)	715,395	-	715,395
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 48 - reauthorization	50,000	50,000	-	50,000
Laws of 2005 CH 347 Sec 48 - reauthorization	-	230,150	-	230,150
Laws of 2006, CH 111, Sec 39	25,826,000	24,750,338	-	24,750,338
Reauthorization, Laws of 2007, Ch 341, item 328	(200,000)	-	-	-
Reversions 2010	(1,047,787)	1,047,787	-	1,047,787
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	216,512	-	216,512
Laws of 2007, Ch. 2, Sec. 16	11,302,100	9,931,610	-	9,931,610
Reversions 2012	-	6,536	-	6,536
Laws of 2007, Ch. 42, Sec. 55	52,305,034	45,301,151	-	45,301,151
Reversions 2010	(6,521,951)	6,521,951	-	6,521,951
Reauthorization, Laws of 2007, Ch 42, Sec 55	(2,640,000)	1,790,000	-	1,790,000
Reversions 2012	-	231,374	-	231,374
Laws of 2007, Ch 341, Sec 104, 204, 207, 209, 232, 333	2,421,000	2,013,633	-	2,013,633
Reversions 2012	-	945	-	945
Laws of 2008, Ch. 92, Sec. 44	18,980,000	14,815,628	-	14,815,628
Reversions 2010	(3,213,650)	3,213,650	-	3,213,650
Reversions 2012	-	36,649	-	36,649
Reauthorization, Laws of 2008, Ch 92	(79,000)	40,000	-	40,000
Laws of 2008, Ch. 83, Sec. 108, 173, 312, 102, 84, 115, 232, 351	405,000	891,162	-	891,162
Reauthorization Laws 2006, Ch 111., Sec. 52	(25,000)	25,000	-	25,000

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF MULTI-YEAR BUDGETED SPECIAL CAPITAL OUTLAY FUND
SPECIAL CAPITAL OUTLAY - GENERAL FUND - FUND 81800 (CONTINUED)
For the Year Ended June 30, 2015

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>
CASH OUTLAYS (CONTINUED)				
AIPP Transfer	\$ -	1,200	-	1,200
Laws of 2009, Ch. 128, various sections	1,528,425	1,187,972	-	1,187,972
Reversions				
Reversions 2013	-	39,394	-	39,394
Adjustment	-	315,724	-	315,724
Transfers	-	741,480	-	741,480
TOTAL CASH OUTLAYS	<u>146,306,986</u>	<u>162,932,923</u>	<u>-</u>	<u>162,932,923</u>
EXCESS OF CASH RECEIVED OVER CASH OUTLAYS	<u>\$ -</u>	<u>100,215</u>	<u>(45,673)</u>	<u>54,542</u>
OTHER ASSETS, June 30, 2015				\$ 7,350
LIABILITIES, June 30, 2015				<u>(220,578)</u>
FUND BALANCE (DEFICIT), June 30, 2015				<u>\$ (158,686)</u>

See Independent Auditors Report

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF MULTI-YEAR BUDGETED SPECIAL CAPITAL OUTLAY FUND
STB CAPITAL OUTLAY - FUND 89200
For the Year Ended June 30, 2015

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>
CASH RECEIPTS				
Laws of 2001, CH 338 SB9 (SSTB 2011-2012)	\$ 19,200,000	13,222,106	730,959	13,953,065
Laws of 2001, CH 338 SB9 (SSTB 2010-2011)	18,800,000	16,437,511	1,904,478	18,341,989
Laws 2001 CH 338 SB9 (SSTB 2012-2013)	19,600,000	6,250,422	1,614,514	7,864,936
Laws of 2012, CH 190 (STB 2012-2013)	708,067	199,709	508,067	707,776
Laws of 2012, CH 191 (STB 2012-2013)	7,157,500	5,090,059	-	5,090,059
Laws of 2013, CH 226 (STB 2012-2013)	26,701,102	8,168,422	920,262	9,088,684
Laws of 2013, CH 226 & 338 (SSTB 2012-2013)	15,500,000	8,636,058	997,017	9,633,075
Laws of 2013, CH 226 & 338 (SSTB 2012-2013)	39,800,000	3,459,474	3,623,569	7,083,043
Laws of 2012, CH 54 (GOB 2012-2013)	3,000,000	506,497	1,053,562	1,560,059
Laws of 2014, CH 66 (SSTB 2012-2013)	<u>14,895,000</u>	<u>-</u>	<u>13,590,491</u>	<u>13,590,491</u>
TOTAL CASH RECEIPTS	165,361,669	61,970,258	24,942,919	86,913,177
CASH OUTLAYS				
Laws of 2001, CH 338 (SSTB 2011-2012)	19,200,000	13,245,455	445,955	13,691,410
Laws of 2001, CH 338 (SSTB 2010-2011)	18,800,000	15,919,569	433,597	16,353,165
Laws 2001 CH 338 SB9 (SSTB 2012-2013)	19,600,000	5,488,626	2,922,794	8,411,420
Laws of 2012, CH 190 (STB 2012-2013)	708,067	199,709	-	199,709
Laws of 2012, CH 191 (STB 2012-2013)	7,157,500	5,107,625	169,912	5,277,537
Laws of 2013, CH 226 (STB 2012-2013)	26,701,102	8,561,750	828,188	9,389,938
Laws of 2013, CH 338 (SSTB 2012-2013)	15,500,000	9,667,529	748,942	10,416,471
Laws of 2001, CH 338 (SSTB 2012-2013)	39,800,000	1,994,360	5,341,960	7,336,321
Laws of 2012, CH 54 (GOB 2012-2013)	3,000,000	100,224	-	100,224
Laws of 2014, CH 66 (SSTB 2012-2013)	14,895,000	-	13,688,727	13,688,727
Adjustment	<u>-</u>	<u>400,105</u>	<u>-</u>	<u>400,105</u>
TOTAL CASH OUTLAYS	<u>165,361,669</u>	<u>60,684,952</u>	<u>24,580,075</u>	<u>85,265,026</u>
EXCESS OF CASH RECEIVED OVER CASH OUTLAYS	<u>\$ -</u>	<u>1,285,306</u>	<u>362,844</u>	<u>1,648,150</u>
RECEIVABLES, June 30, 2015				\$ 21,652,926
PAYABLES, June 30, 2015				<u>(22,812,931)</u>
FUND BALANCE (DEFICIT), June 30, 2015				<u>\$ 488,145</u>

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STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF MULTI-YEAR BUDGETED SPECIAL CAPITAL OUTLAY FUND
GF CAPITAL OUTLAY - FUND 93100
For the Year Ended June 30, 2015

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>
CASH RECEIPTS				
Laws of 2011, Senate Bill 373				
Account 101900	\$ 689,258	680,641	-	680,641
Less return of funds to DFA	-	(48,790)	-	(48,790)
Transfers	-	-	(54,858)	(54,858)
TOTAL CASH RECEIPTS	<u>689,258</u>	<u>631,851</u>	<u>(54,858)</u>	<u>576,993</u>
CASH OUTLAYS				
Laws of 2011, Senate Bill 373				
Account 101900	<u>689,258</u>	<u>543,402</u>	<u>5,462</u>	<u>548,864</u>
TOTAL CASH OUTLAYS	<u>689,258</u>	<u>543,402</u>	<u>5,462</u>	<u>548,864</u>
EXCESS OF CASH RECEIVED OVER CASH OUTLAYS	<u>\$ -</u>	<u>88,449</u>	<u>(60,320)</u>	<u>28,129</u>
RECEIVABLES, June 30, 2015				\$ -
PAYABLES, June 30, 2015				<u>(34,680)</u>
FUND BALANCE (DEFICIT), June 30, 2015				<u>\$ (6,551)</u>

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OTHER INFORMATION

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PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF VENDOR INFORMATION for Purchases Exceeding \$60,000 (excluding GRT)
For the Year Ended June 30, 2015
Prepared by Agency Staff Name: Elizabeth Montañó and Randy Herrera. Date: 11/20/2015

RFB#/RFP#	Type of Procurement	Awarded Vendor	\$ Amount of Awarded Contract	\$ Amount of Amended Contract	Name and Physical Address per the procurement documentation, of ALL Vendor(s) that responded	In-State/ Out-of-State Vendor (Y or N) (Based on Statutory Definition)	Was the vendor in-state and chose Veteran's preference (Y or N) For federal funds answer N/A	Brief Description of the Scope of Work
PUBLIC EDUCATION DEPARTMENT								
15-00001	Professional Services	Norther New Mexico Community College	\$ 282,026	-	Northern New Mexico Community College 921 N Paseo De Onate, Española, NM 87532	Y	N/A	Teacher Training
15-00001	Professional Services	Norther New Mexico Community College	-	-	New Mexico Highlands University 1005 Diamond St., Las Vegas, NM 87701	Y	N/A	Teacher Training
15-00001	Professional Services	Norther New Mexico Community College	-	-	University of New Mexico 1155 University Blvd. SE, Albuquerque, NM 87106	Y	N/A	Teacher Training
15-00001	Professional Services	Norther New Mexico Community College	-	-	Native American Community Academy 1000 Indian School Rd. NW, Albuquerque, NM 87104	Y	N/A	Teacher Training
15-00002	Professional Services	Teach for America	287,750	-	Teach for America 303 S 1st Street Gallup, NM 87301	Y	N/A	Teacher Recruitment
15-00003	Professional Services	Brustein & Manasevit	43,801	17,120	Brustein & Manasevit 3105 South Street NW, Washington, DC 20007	N	N/A	MOE Litigation
15-00004	Professional Services	Brustein & Manasevit	108,182	-	Brustein & Manasevit 3105 South Street NW, Washington, DC 20007	N	N/A	Federal Compliance & Litigation
15-00006	Professional Services	Deanna Gomez	43,520	-	Deanna Gomez Unable to locate	Y	N/A	Public School Finance Management
15-00006	Professional Services	Deanna Gomez	-	-	Vigil Group 1776 Montañó Rd. NW, Los Ranchos de Albuquerque, NM 87107	Y	N/A	Public School Finance Management
15-00006	Professional Services	Deanna Gomez	-	-	Maria Fidalgo Unable to locate	Y	N/A	Public School Finance Management
15-00006	Professional Services	Deanna Gomez	-	-	Adaptability Unable to locate	Y	N/A	Public School Finance Management
15-00007	Professional Services	Axiom CPAs and Business Advisors LLC	419,037	-	Axiom CPAs and Business Advisors LLC 316 Osuna Rd. NE, Suite 401, Albuquerque, NM 87107	Y	N/A	Agency Audit
15-00007	Professional Services		-	-	REDW 7425 Jefferson St., NE, Albuquerque, NM 87109	Y	N/A	Agency Audit
15-924-P527-00300	Emergency	Wagner Valuation	299,600	-	Wagner Valuation and Financial Forensics 5600 Eubank Blvd. NE, Albuquerque, NM 87111	N	N/A	SW Charter Schools Takeover
DEPARTMENT OF VOCATIONAL REHABILITATION								
40-64400-14-17494	Sole Source	Alliance Enterprises	195,969	-	Alliance Enterprises, Inc. 2625 Willamette Dr. NE, Lacey, WA 98516	N	N/A	Software maintenance contract to process AWARE VR case mgt. system.
RFP #14-0001	RFP	San Juan Centers for Independence	105,530	-	San Juan Centers for Independence 1204 San Juan Blvd., Farmington, NM 87401	Y	N/A	Independent Living Center to service persons with disabilities in NM pueblos.
64400-13-16565	RFP	Davis Innovations	108,950	-	Davis Innovations P.O. Box 4578 Santa Fe, NM 87502	Y	N/A	Statewide SILC coordinator
RFP #14-0004	RFP	Choices Center for Independence	238,850	-	Choices Center for Independence 103 N. Pennsylvania Roswell, NM 88201	Y	N/A	Independent Living Center to service persons with disabilities in SE NM.

PUBLIC EDUCATION DEPARTMENT
 SCHEDULE OF VENDOR INFORMATION for Purchases Exceeding \$60,000 (excluding GRT) (CONTINUED)
 For the Year Ended June 30, 2015
 Prepared by Agency Staff Name: Elizabeth Montañó and Randy Herrera. Date: 11/20/2015

<i>RFB#/RFP#</i>	<i>Type of Procurement</i>	<i>Awarded Vendor</i>	<i>\$ Amount of Awarded Contract</i>	<i>\$ Amount of Amended Contract</i>	<i>Name and Physical Address per the procurement documentation, of ALL Vendor(s) that responded</i>	<i>In-State/ Out-of-State Vendor (Y or N) (Based on Statutory Definition)</i>	<i>Was the vendor in-state and chose Veteran's preference (Y or N) For federal funds answer N/A</i>	<i>Brief Description of the Scope of Work</i>
51-64400-14-18112	Sole Source	Iron Data	\$ 195,969	-	Iron Data 12901 Worldgate Dr., Suite 800, Herndon, VA 20170	N	N/A	Software maintenance contract per SSA to process disability claims.
RFP #15-0003	RFP	Eagle Talon	38,947	-	Eagle Talon 1514 Calle Redondo W., Santa Fe, NM 87505	Y	N/A	Veterans Outreach Coordinator to service veterans with disabilities in SE NM.
RFP #15-0003	RFP	Eagle Talon	-	-	Bryon Ortiz 115 W. Santa Fe Ave., Unit F, Santa Fe, NM 87505	Y	N/A	Veterans Outreach Coordinator to service veterans with disabilities in SE NM.
CHARTER SCHOOLS								
None	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

STATE OF NEW MEXICO

PUBLIC EDUCATION DEPARTMENT

Financial Statements
June 30, 2015

VOLUME II



AXIOM

*Certified Public Accountants
and Business Advisors LLC*

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**STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
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STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2015

Federal Agency / Pass-Through Agency	Pass - Through	Federal CFDA Number	Federal Participating Expenditures
PUBLIC EDUCATION DEPARTMENT			
DEPARTMENT OF AGRICULTURE:			
Food and Nutrition Service:			
Child Nutrition Cluster:			
School Breakfast Program	Federal Direct	10.553	\$ 96,058,970
National School Lunch Program	Federal Direct	10.555	41,405,274
Total Child Nutrition Cluster			<u>137,464,244</u>
New Meal Patterns/SAE	Federal Direct	10.560	1,591,353
Fresh Fruit and Vegetable Program	Federal Direct	10.582	1,857,905
National School Lunch Program - Equipment	Federal Direct	10.579	199,189
Team Nutrition Grants	Federal Direct	10.574	7,498
TOTAL U.S. DEPARTMENT OF AGRICULTURE			<u>141,120,189</u>
U.S. DEPARTMENT OF EDUCATION:			
Office of Elementary and Secondary Education:			
Title I Grants to Local Educational Agencies	Federal Direct	84.010A	94,919,698
Total Title I Grants to Local Education Agencies			<u>94,919,698</u>
School Improvement Cluster:			
School Achievement Fund 1003(g)	Federal Direct	84.377A	2,170,997
ARRA - School Improvement Grants, Recovery Act	Federal Direct	84.388A	284
Total School Improvement Cluster			<u>2,171,281</u>
Education for Homeless Children and Youth	Federal Direct	84.196A	468,068
Total Education for the Homeless			<u>468,068</u>
Migrant Education - State Grant Program	Federal Direct	84.011A	616,882
Title I Program for Neglected and Delinquent Children	Federal Direct	84.013A	257,609
MEP Consort. Incentive Grants (Migrant Consortium)	Federal Direct	84.144F	131,866
Twenty-first Century Community Learning Centers	Federal Direct	84.287C	9,592,553
Rural Education	Federal Direct	84.358B	1,001,559
Title III English Language Acquisition Grants	Federal Direct	84.365A	2,360,322
Mathematics and Science Partnerships	Federal Direct	84.366B	889,079
Title II Improving Teacher Quality State Grants	Federal Direct	84.367A	11,351,342
Grants for State Assessments and Related Activities	Federal Direct	84.369A	3,966,497
Striving Readers	Federal Direct	84.371B	39,623
Total Office of Elementary and Secondary Education			<u>127,766,379</u>

See Notes to the Schedule of Expenditures of Federal Awards

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
For the Year Ended June 30, 2015

Federal Agency / Pass-Through Agency	Pass - Through	Federal CFDA Number	Federal Participating Expenditures
U.S. DEPARTMENT OF EDUCATION - continued:			
Office of Special Education and Rehabilitative Services:			
Special Education Cluster (IDEA)			
Special Education - Grants to States	Federal Direct	84.027A	91,273,998
Special Education - Preschool Grants	Federal Direct	84.173A	2,625,866
Total Special Education Cluster (IDEA)			<u>93,899,864</u>
Special Education - State Personnel Development	Federal Direct	84.323A	<u>881,879</u>
Office of Innovation and Improvement:			
Charter Schools	Federal Direct	84.282A	1,726
Advance Placement Program	Federal Direct	84.330B	47,810
Race to the Top	Federal Direct	84.412A	8,677,364
Total Office of Innovation and Improvement			<u>8,726,900</u>
Office of Vocation and Adult Education:			
Carl Perkins - Voc. Educ. - Basic Grants to States/Adult Educ. - State Grant Program	Federal Direct	84.048A	7,516,868
Florida Department of Education:			
PARCC - Support of Governing States	Federal Direct	84.395B	58,362
TOTAL U.S. DEPARTMENT OF EDUCATION			<u>238,850,252</u>
DEPARTMENT OF HEALTH AND HUMAN SERVICES:			
Centers for Disease Control and Prevention:			
Centers for Disease Control and Prev. - Investigations and Tech. Assistance	Federal Direct	93.283	343,329
Office of the Secretary			
Pregnancy Assistance Fund Program	Federal Direct	93.500	1,521,186
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			<u>1,864,515</u>
TOTAL EXPENDITURES - PUBLIC EDUCATION DEPARTMENT			<u>\$ 381,834,956</u>

See Notes to the Schedule of Expenditures of Federal Awards

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
For the Year Ended June 30, 2015

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 Cluster			
Rehabilitation Services - Vocational Rehabilitation Grants to States	Federal Direct	84.126A	\$ 16,856,950
TOTAL REHABILITATION SERVICE CLUSTER			<u>16,856,950</u>
Independent Living State Grants	Federal Direct	84.169A	210,378
Rehab. Training - State Vocational Rehabilitation Unit In-Service Training	Federal Direct	84.265A	26,801
Supported Employment Services for Individuals with Severe Disabilities	Federal Direct	84.187A	281,227
TOTAL U.S. DEPARTMENT OF EDUCATION			<u>17,375,356</u>
SOCIAL SECURITY ADMINISTRATION:			
Disability Insurance	Federal Direct	96.001	11,556,364
TOTAL SOCIAL SECURITY ADMINISTRATION			<u>11,556,364</u>
TOTAL EXPENDITURES - DIVISION OF VOCATIONAL REHABILITATION			<u>28,931,720</u>
TOTAL FEDERAL EXPENDITURES			<u><u>\$ 410,766,676</u></u>

See Notes to the Schedule of Expenditures of Federal Awards

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2015**

NOTE 1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of the State of New Mexico Public Education Department ("PED") under programs of the federal government for the year ended June 30, 2015. The information in this schedule is presented in accordance with the requirements of the Office of Management and Budget (OMB) circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Because the Schedule presents only a selected portion of the operations of PED, it is not intended to and does not present the financial position or changes in net position of PED.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Circular A-87, *Cost Principles for State, Local and Indian Tribal Governments*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

NOTE 3. NON-CASH ASSISTANCE

The Department did not receive any federal non-cash assistance during the year ended June 30, 2015.

NOTE 4. LOANS

The Department does not have any loans outstanding with the Federal government at June 30, 2015.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
NOTES TO SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS
Year Ended June 30, 2015

Note 5 - Subrecipients of Grant Awards

U.S. DEPARTMENT OF EDUCATION

Federal CFDA Number	Program Name	Subrecipient Name	Amount
84.010	Title I Grants to Local Educational Agencies		
		ACADEMY OF TRADES & TECHNOLOGY	\$ 23,533
		ACADEMY OF TRADES AND TECHNOLOGY	41,560
		ACE LEADERSHIP HIGH SCHOOL	84,665
		ALAMOGORDO PUBLIC SCHOOLS	1,284,452
		ALBUQUERQUE PUBLIC SCHOOLS	20,363,685
		ALBUQUERQUE SCHOOL OF EXCELLENCE	26,926
		ALBUQUERQUE SIGN LANGUAGE ACADEMY	32,987
		ALDO LEOPOLD CHARTER SCHOOL	34,809
		ALMAD'ARTE CHARTER HIGH SCHOOL	28,894
		AMY BIEHL CHARTER SCHOOL	76,155
		ANIMAS PUBLIC SCHOOLS	91,501
		ANTHONY CHARTER SCHOOL	8,236
		ARTESIA PUBLIC SCHOOLS	685,131
		AZTEC MUNICIPAL SCHOOLS DISTRICT #2	404,271
		BELÉN CONSOLIDATED SCHOOLS	1,473,952
		BERNALILLO PUBLIC SCHOOLS	970,522
		BLOOMFIELD SCHOOLS	944,989
		CAPITAN MUNICIPAL SCHOOLS	78,586
		CARLSBAD MUNICIPAL SCHOOLS	1,042,393
		CARRIZO MUNICIPAL SCHOOLS	94,608
		CENTRAL CONSOLIDATED SCHOOLS #22	3,183,908
		CESAR CHAVEZ COMMUNITY SCHOOL	70,736
		CHAMA VALLEY INDEPENDENT	90,668
		CIEN AGUAS INTERNATIONAL SCHOOL	33,494
		CIMARRON MUNICIPAL SCHOOLS	65,769
		CLAYTON MUNICIPAL SCHOOLS	128,223
		CLOUDCROFT MUNICIPAL SCHOOLS	97,903
		CLOVIS MUNICIPAL SCHOOLS	1,800,811
		COBRE CONSOLIDATED SCHOOLS	536,979
		CORAL COMMUNITY CHARTER	19,669
		CORONA PUBLIC SCHOOLS	30,396
		CUBA INDEPENDENT SCHOOLS	638,315
		DEMING PUBLIC SCHOOLS	2,513,955
		DES MOINES MUNICIPAL SCHOOLS	63,720
		DEXTER CONSOLIDATED SCHOOLS	203,773
		DORA CONSOLIDATED SCHOOL	62,314
		DULCE INDEPENDENT SCHOOLS #21	230,074
		EAST MOUNTAIN HIGH SCHOOL	28,462
		ELIDA MUNICIPAL SCHOOLS	26,220
		ESPANOLA PUBLIC SCHOOL DISTRICT #55	1,554,942
		ESTANCIA BOARD OF EDUCATION	223,033
		ESTANCIA VALLEY CLASSICAL ACADEMY	21,935
		EUNICE PUBLIC SCHOOLS	85,875
		EXPLORE ACADEMY	35,025
		FARMINGTON MUNICIPAL SCHOOLS	3,415,692
		FLOYD MUNICIPAL SCHOOLS	56,404
		FORT SUMNER MUNICIPAL SCHOOLS	56,001
		GADSDEN INDEPENDENT SCHOOL DISTRICT	6,352,553
		GALLUP MCKINLEY COUNTY SCHOOL	7,069,764
		GILBERT L SENA HIGH SCHOOL	84,104
		GRADY MUNICIPAL SCHOOLS	19,633
		GRANTS/CIBOLA COUNTY SCHOOL	1,270,791

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
NOTES TO SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS
Year Ended June 30, 2015

Note 5 - Subrecipients of Grant Awards

U.S. DEPARTMENT OF EDUCATION

Federal CFDA Number	Program Name	Subrecipient Name	Amount
		GREAT ACADEMY, THE	17,211
		HAGERMAN MUNICIPAL SCHOOLS	190,647
		HATCH VALLEY MUNICIPAL SCHOOLS	1,102,208
		HEALTH LEADERSHIP HIGH SCHOOL	37,671
		HEALTH SCIENCES ACADEMY	39,970
		HOBBS MUNICIPAL SCHOOLS	1,215,030
		HONDO VALLEY SCHOOLS	72,787
		HORIZON ACADEMY WEST	223,245
		HOUSE MUNICIPAL SCHOOL	940
		INTERNATIONAL SCHOOL AT MESA DEL SOL,	23,402
		J PAUL TAYLOR ACADEMY	32,098
		JAL PUBLIC SCHOOLS	56,219
		JEMEZ MTN SCHOOL DIST NO 53	110,401
		JEMEZ VALLEY PUBLIC SCHOOLS	120,242
		LA ACADEMIA DOLORES HUERTA	80,300
		LA JICARITA COMMUNITY SCHOOL	27,085
		LA PROMESA EARLY LEARNING CENTER	144,018
		LA RESOLANA LEADERSHIP ACADEMY	28,375
		LA TIERRA MONTESSORI SCHOOL OF THE ARTS	29,736
		LAKE ARTHUR MUNICIPAL SCHOOLS	35,898
		LAS CRUCES PUBLIC SCHOOLS	312,160
		LAS CRUCES SCHOOL DISTRICT #2	7,437,297
		LAS VEGAS CITY SCHOOLS	484,497
		LOGAN MUNICIPAL SCHOOL	31,133
		LORDBURG MUNICIPAL SCHOOLS	316,458
		LOS LUNAS SCHOOLS	2,379,193
		LOVING MUNICIPAL SCHOOLS	55,439
		LOVINGTON MUNICIPAL SCHOOLS	497,569
		MAGDALENA MUNICIPAL SCHOOLS	503,943
		MAXWELL MUNICIPAL SCHOOL	31,195
		MEDIA ARTS COLLABORATIVE CHARTER SCHOOL	39,517
		MELROSE MUNICIPAL SCHOOLS	67,752
		MESA VISTA CONSOLIDATED SCHOOL	63,423
		MISSION ACHIEVEMENT & SUCCESS CHARTER SC	107,252
		MONTESSORI ELEMENTARY SCHOOL	48,000
		MORA INDEPENDENT SCHOOLS	194,946
		MORIARTY MUNICIPAL SCHOOLS	710,557
		MOSQUERO MUNICIPAL SCHOOLS	2,433
		MOUNTAINAIR PUBLIC SCHOOLS	194,298
		NEW AMERICA SCHOOL LAS CRUCES	27,601
		NEW AMERICA SCHOOL, THE	80,292
		NEW MEXICO CONNECTIONS ACADEMY	175,994
		NEW MEXICO SCHOOL FOR THE ARTS	34,018
		NORTH VALLEY ACADEMY	128,500
		PECOS INDEPENDENT SCHOOLS	248,789
		PENASCO INDEPENDENT SCHOOL DISTRICT	107,611
		POJOAQUE VALLEY SCHOOLS	182,192
		PORTALES MUNICIPAL SCHOOLS	972,810
		QUEMADO INDEPENDENT SCHOOL	60,296
		QUESTA INDEPENDENT SCHOOLS	105,022
		RATON PUBLIC SCHOOLS	367,993
		RED RIVER VALLEY CHARTER SCHOO	12,457
		RESERVE SCHOOL DISTRICT	136,358

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
NOTES TO SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS
Year Ended June 30, 2015

Note 5 - Subrecipients of Grant Awards

U.S. DEPARTMENT OF EDUCATION

Federal CFDA Number	Program Name	Subrecipient Name	Amount	
		RIO RANCHO PUBLIC SCHOOLS	1,602,894	
		ROSWELL INDEPENDENT SCHOOL DISTRICT	3,477,332	
		ROY MUNICIPAL SCHOOLS	11,238	
		RUIDOSO MUNICIPAL SCHOOLS	532,054	
		SAGE MONTESSORI CHARTER SCHOOL	12,285	
		SAN JON MUNICIPAL SCHOOLS	39,238	
		SANTA FE PUBLIC SCHOOLS	3,538,521	
		SANTA ROSA CONSOLIDATED SCHOOL	188,233	
		SCHOOL OF DREAMS ACADEMY	45,957	
		SILVER CITY CONSOLIDATED SCHOOLS	866,076	
		SOCORRO CONSOLIDATED SCHOOLS	742,913	
		SOUTH VALLEY PREPORATORY SCHOOL	58,489	
		SOUTHWEST AERONAUTICS MATHEMATICS &	23,062	
		SOUTHWEST INTERMEDIATE LEARNING CENTER	13,220	
		SOUTHWEST PRIMARY LEARNING CTN	15,434	
		SOUTHWEST SECONDARY LEARNING	28,474	
		SPRINGER MUNICIPAL SCHOOLS	57,513	
		T OR C MUNICIPAL SCHOOLS	606,712	
		TAOS ACADEMY	40,343	
		TAOS INTEGRATED SCHOOL OF THE ARTS	18,281	
		TAOS INTERNATIONAL SCHOOL	4,789	
		TAOS MUNICIPAL SCHOOLS	1,083,774	
		TATUM MUNICIPAL SCHOOLS	55,972	
		TEXICO MUNICIPAL SCHOOL	177,443	
		TIERRA ADENTRO OF NEW MEXICO	65,895	
		TUCUMCARI PUBLIC SCHOOLS	529,663	
		TULAROSA MUNICIPAL SCHOOLS	805,991	
		UPLIFT COMMUNITY SCHOOL	34,959	
		VAUGHN MUNICIPAL SCHOOLS	25,896	
		WAGON MOUND PUBLIC SCHOOLS	117,779	
		WALATOWA CHARTER HIGH SCHOOL	16,126	
		WEST LAS VEGAS SCHOOL DISTRICT	615,645	
		ZUNI PUBLIC SCHOOL DIST	956,474	
		Total for CFDA 84.010		93,976,149
84.377A	School Achievement Fund 1003(g)			
84.388A	School Improvement (ARRA)			
		ALAMOGORDO PUBLIC SCHOOLS	226,261	
		ALBUQUERQUE PUBLIC SCHOOLS	1,277,324	
		ALBUQUERQUE SIGN LANGUAGE ACADEMY	195,898	
		GALLUP MCKINLEY COUNTY SCHOOL	284	
		PECOS INDEPENDENT SCHOOLS	119,949	
		Total for CFDA 84.377A and 84.388A		1,819,716
84.011A	Migrant Education - State Grant Program			
		CLOVIS MUNICIPAL SCHOOLS	52,168	
		DEMING PUBLIC SCHOOLS	134,209	
		DEXTER CONSOLIDATED SCHOOLS	50,702	
		GADSDEN INDEPENDENT SCHOOL DISTRICT	78,869	
		HAGERMAN MUNICIPAL SCHOOLS	30,553	
		LAS CRUCES SCHOOL DISTRICT #2	44,555	
		PORTALES MUNICIPAL SCHOOLS	130,416	
		ROSWELL INDEPENDENT SCHOOL DISTRICT	12,059	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
NOTES TO SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS
Year Ended June 30, 2015

Note 5 - Subrecipients of Grant Awards

U.S. DEPARTMENT OF EDUCATION

Federal CFDA Number	Program Name	Subrecipient Name	Amount	
		T OR C MUNICIPAL SCHOOLS	<u>40,928</u>	
		Total for CFDA 84.011A		574,459
84.013A	Title I Program for Neglected and Delinquent Children	CENTRAL REGION EDUCATIONAL COOPERATIVE	<u>257,609</u>	
		Total for CFDA 84.013A		257,609
84.287C	Twenty-first Century Community Learning Centers	1ST CHOICE ENRICHMENT PROGRAMS	270,359	
		ALBUQUERQUE PUBLIC SCHOOLS	349,643	
		APPLETREE EDUCATIONAL CENTER	203,689	
		ATRISCO HERITAGE FOUNDATION	619,514	
		BERNALILLO PUBLIC SCHOOLS	333,148	
		CENTRAL CONSOLIDATED SCHOOLS #22	313,009	
		DULCE INDEPENDENT SCHOOLS #21	422,965	
		FARMINGTON MUNICIPAL SCHOOLS	138,342	
		GADSDEN INDEPENDENT SCHOOL DISTRICT	1,009,714	
		GALLUP MCKINLEY COUNTY SCHOOL	1,338,155	
		LAS CRUCES PUBLIC SCHOOLS	381,800	
		LAS VEGAS CITY SCHOOLS	338,270	
		NM COMMUNITY FOR LEARNING	311,220	
		PUEBLO OF LAGUNA DEPARTMENT OF EDUCATION	60,904	
		REGIONAL EDUCATION CENTER #6	596,190	
		RIO GRANDE EDUCATIONAL COLLABORATIVE	727,600	
		SAN JUAN COUNTY PARTNERSHIP	282,627	
		SANTA FE PUBLIC SCHOOLS	548,741	
		SOCORRO CONSOLIDATED SCHOOLS	219,448	
		YOUTH DEVELOPMENT INC	<u>724,824</u>	
		Total for CFDA 84.287C		9,190,162
84.358B	Rural Education	ARTESIA PUBLIC SCHOOLS	77,409	
		CLAYTON MUNICIPAL SCHOOLS	450	
		DEMING PUBLIC SCHOOLS	101,654	
		DULCE INDEPENDENT SCHOOLS #21	9,764	
		ESPANOLA PUBLIC SCHOOL DISTRICT #55	62,025	
		GALLUP MCKINLEY COUNTY SCHOOL	246,438	
		GRANTS/CIBOLA COUNTY SCHOOL	58,279	
		HATCH VALLEY MUNICIPAL SCHOOLS	32,486	
		LAS VEGAS CITY SCHOOLS	30,114	
		LORDSBURG MUNICIPAL SCHOOLS	11,205	
		PORTALES MUNICIPAL SCHOOLS	59,529	
		RATON PUBLIC SCHOOLS	19,278	
		RUIDOSO MUNICIPAL SCHOOLS	29,837	
		SANTA ROSA CONSOLIDATED SCHOOL	12,832	
		SILVER CITY CONSOLIDATED SCHOOLS	59,715	
		SOCORRO CONSOLIDATED SCHOOLS	25,562	
		T OR C MUNICIPAL SCHOOLS	25,188	
		TAOS MUNICIPAL SCHOOLS	22,925	
		TUCUMCARI PUBLIC SCHOOLS	6,917	
		TULAROSA MUNICIPAL SCHOOLS	16,082	
		WEST LAS VEGAS SCHOOL DISTRICT	30,340	
		ZUNI PUBLIC SCHOOL DIST	<u>9,076</u>	
		Total for CFDA 84.358B		947,105

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
NOTES TO SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS
Year Ended June 30, 2015

Note 5 - Subrecipients of Grant Awards

U.S. DEPARTMENT OF EDUCATION

Federal CFDA Number	Program Name	Subrecipient Name	Amount
84.365	Title III English Language Acquisition Grants		
		ALBUQUERQUE PUBLIC SCHOOLS	505,165
		ARTESIA PUBLIC SCHOOLS	8,225
		BELÉN CONSOLIDATED SCHOOLS	4,504
		BERNALILLO PUBLIC SCHOOLS	69,455
		BLOOMFIELD SCHOOLS	37,040
		CENTRAL CONSOLIDATED SCHOOLS #22	54,609
		CLOVIS MUNICIPAL SCHOOLS	40,460
		COBRE CONSOLIDATED SCHOOLS	5,969
		CUBA INDEPENDENT SCHOOLS	9,705
		DEMING PUBLIC SCHOOLS	73,568
		DEXTER CONSOLIDATED SCHOOLS	8,798
		DULCE INDEPENDENT SCHOOLS #21	14,226
		FARMINGTON MUNICIPAL SCHOOLS	11,550
		GADSDEN INDEPENDENT SCHOOL DISTRICT	425,086
		GALLUP MCKINLEY COUNTY SCHOOL	110,097
		GRANTS/CIBOLA COUNTY SCHOOL	16,882
		HATCH VALLEY MUNICIPAL SCHOOLS	59,694
		HOBBS MUNICIPAL SCHOOLS	75,619
		JEMEZ MTN SCHOOL DIST NO 53	3,571
		LAS CRUCES SCHOOL DISTRICT #2	246,357
		LOS ALAMOS PUBLIC SCHOOLS	1,878
		LOS LUNAS SCHOOLS	50,636
		LOVINGTON MUNICIPAL SCHOOLS	7,463
		MORIARTY MUNICIPAL SCHOOLS	9,271
		NEW AMERICA SCHOOL, THE	22,214
		POJOAQUE VALLEY SCHOOLS	8,846
		PORTALES MUNICIPAL SCHOOLS	14,632
		RATON PUBLIC SCHOOLS	6,610
		REGION IX EDUCATION COOP	9,196
		RIO RANCHO PUBLIC SCHOOLS	32,169
		ROSWELL INDEPENDENT SCHOOL DISTRICT	119,640
		SANTA FE PUBLIC SCHOOLS	107,738
		SOUTH VALLEY PREPARATORY SCHOOL	126
		TAOS MUNICIPAL SCHOOLS	7,198
		WEST LAS VEGAS SCHOOL DISTRICT	8,845
		ZUNI PUBLIC SCHOOL DIST	10,681
		Total for CFDA 84.365	2,197,723
84.367A	Title II Improving Teacher Quality State Grants		
		ACE LEADERSHIP HIGH SCHOOL	7,096
		ALAMOGORDO PUBLIC SCHOOLS	311,082
		ALBUQUERQUE PUBLIC SCHOOLS	2,109,157
		ALBUQUERQUE SCHOOL OF EXCELLENCE	1,171
		ALDO LEOPOLD CHARTER SCHOOL	4,897
		ALMAD'ARTE CHARTER HIGH SCHOOL	8,566
		AMY BIEHL CHARTER SCHOOL	5,186
		ANIMAS PUBLIC SCHOOLS	13,932
		ARTESIA PUBLIC SCHOOLS	112,206
		AZTEC MUNICIPAL SCHOOLS DISTRICT #2	31,907
		BELÉN CONSOLIDATED SCHOOLS	267,714
		BERNALILLO PUBLIC SCHOOLS	102,121
		BLOOMFIELD SCHOOLS	137,462

STATE OF NEW MEXICO
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NOTES TO SCHEDULE OF EXPENDITURES
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Note 5 - Subrecipients of Grant Awards

U.S. DEPARTMENT OF EDUCATION

Federal CFDA Number	Program Name	Subrecipient Name	Amount
		CAPITAN MUNICIPAL SCHOOLS	24,540
		CARLSBAD MUNICIPAL SCHOOLS	200,839
		CARRIZO MUNICIPAL SCHOOLS	8,268
		CENTRAL CONSOLIDATED SCHOOLS #22	356,996
		CESAR CHAVEZ COMMUNITY SCHOOL	9,084
		CHAMA VALLEY INDEPENDENT	14,568
		CIEN AGUAS INTERNATIONAL SCHOOL	3,736
		CIMARRON MUNICIPAL SCHOOLS	826
		CLAYTON MUNICIPAL SCHOOLS	20,302
		CLOUDCROFT MUNICIPAL SCHOOLS	9,799
		CLOVIS MUNICIPAL SCHOOLS	313,925
		COBRE CONSOLIDATED SCHOOLS	55,191
		CORONA PUBLIC SCHOOLS	2,361
		COTTONWOOD CLASSICAL PREPARATORY SCHOOL	6,512
		CUBA INDEPENDENT SCHOOLS	69,468
		DEMING PUBLIC SCHOOLS	162,726
		DES MOINES MUNICIPAL SCHOOLS	1,963
		DEXTER CONSOLIDATED SCHOOLS	33,866
		DORA CONSOLIDATED SCHOOL	1,683
		DULCE INDEPENDENT SCHOOLS #21	28,902
		EAST MOUNTAIN HIGH SCHOOL	8,185
		ELIDA MUNICIPAL SCHOOLS	2,726
		ESPANOLA PUBLIC SCHOOL DISTRICT #55	21,827
		ESTANCIA BOARD OF EDUCATION	51,817
		ESTANCIA VALLEY CLASSICAL ACADEMY	9,275
		EUNICE PUBLIC SCHOOLS	10,278
		FARMINGTON MUNICIPAL SCHOOLS	489,944
		FLOYD MUNICIPAL SCHOOLS	1,500
		FORT SUMNER MUNICIPAL SCHOOLS	1,173
		GADSDEN INDEPENDENT SCHOOL DISTRICT	623,480
		GILBERT L SENA HIGH SCHOOL	6,906
		GRADY MUNICIPAL SCHOOLS	1,522
		GRANTS/CIBOLA COUNTY SCHOOL	172,105
		HAGERMAN MUNICIPAL SCHOOLS	17,442
		HATCH VALLEY MUNICIPAL SCHOOLS	98,154
		HOBBS MUNICIPAL SCHOOLS	3,778
		HONDO VALLEY SCHOOLS	5,646
		HORIZON ACADEMY WEST	4,621
		HOUSE MUNICIPAL SCHOOL	1,194
		INTERNATIONAL SCHOOL AT MESA DEL SOL,	6,698
		JAL PUBLIC SCHOOLS	5,543
		JEMEZ MTN SCHOOL DIST NO 53	3,325
		JEMEZ VALLEY PUBLIC SCHOOLS	24,179
		LA ACADEMIA DOLORES HUERTA	3,269
		LA PROMESA EARLY LEARNING CENTER	33,647
		LA RESOLANA LEADERSHIP ACADEMY	1,132
		LA TIERRA MONTESSORI SCHOOL OF THE ARTS	3,218
		LAS CRUCES SCHOOL DISTRICT #2	1,559,891
		LAS VEGAS CITY SCHOOLS	101,296
		LOGAN MUNICIPAL SCHOOL	14,159
		LORDSBURG MUNICIPAL SCHOOLS	56
		LOS ALAMOS PUBLIC SCHOOLS	49,485
		LOS LUNAS SCHOOLS	399,508

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
NOTES TO SCHEDULE OF EXPENDITURES
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Note 5 - Subrecipients of Grant Awards

U.S. DEPARTMENT OF EDUCATION

Federal CFDA Number	Program Name	Subrecipient Name	Amount
		LOVING MUNICIPAL SCHOOLS	10,723
		LOVINGTON MUNICIPAL SCHOOLS	28,477
		MAGDALENA MUNICIPAL SCHOOLS	23,043
		MASTERS PROGRAM, THE	5,075
		MAXWELL MUNICIPAL SCHOOL	2,362
		MEDIA ARTS COLLABORATIVE CHARTER SCHOOL	11,448
		MELROSE MUNICIPAL SCHOOLS	10,818
		MESA VISTA CONSOLIDATED SCHOOL	42,996
		MISSION ACHIEVEMENT & SUCCESS CHARTER SC	13,980
		MORA INDEPENDENT SCHOOLS	18,150
		MORIARTY MUNICIPAL SCHOOLS	114,417
		NEW AMERICA SCHOOL LAS CRUCES	1,700
		NEW AMERICA SCHOOL, THE	3,029
		NEW MEXICO CONNECTIONS ACADEMY	5,258
		NEW MEXICO SCHOOL FOR THE ARTS	3,538
		NM INTERNATIONAL SCHOOL, THE	2,863
		NORTH VALLEY ACADEMY	11,845
		PECOS INDEPENDENT SCHOOLS	39,397
		PENASCO INDEPENDENT SCHOOL DISTRICT	11,703
		POJOAQUE VALLEY SCHOOLS	35,481
		PORTALES MUNICIPAL SCHOOLS	146,830
		QUEMADO INDEPENDENT SCHOOL	3,428
		QUESTA INDEPENDENT SCHOOLS	20,066
		RATON PUBLIC SCHOOLS	141,549
		RESERVE SCHOOL DISTRICT	13,019
		RIO RANCHO PUBLIC SCHOOLS	169,082
		ROSWELL INDEPENDENT SCHOOL DISTRICT	412,358
		ROY MUNICIPAL SCHOOLS	945
		RUIDOSO MUNICIPAL SCHOOLS	132,088
		SAN JON MUNICIPAL SCHOOLS	10,820
		SANTA FE PUBLIC SCHOOLS	623,237
		SANTA ROSA CONSOLIDATED SCHOOL	19,427
		SCHOOL OF DREAMS ACADEMY	675
		SILVER CITY CONSOLIDATED SCHOOLS	75,028
		SOCORRO CONSOLIDATED SCHOOLS	73,278
		SOUTH VALLEY PREPORATORY SCHOOL	5,394
		SPRINGER MUNICIPAL SCHOOLS	3,638
		T OR C MUNICIPAL SCHOOLS	19,090
		TAOS ACADEMY	(50)
		TAOS INTERNATIONAL SCHOOL	1,900
		TAOS MUNICIPAL SCHOOLS	93,488
		TATUM MUNICIPAL SCHOOLS	13,099
		TEXICO MUNICIPAL SCHOOL	17,182
		TIERRA ADENTRO OF NEW MEXICO	6,435
		TUCUMCARI PUBLIC SCHOOLS	76,917
		TULAROSA MUNICIPAL SCHOOLS	100,689
		UPLIFT COMMUNITY SCHOOL	10,056
		WAGON MOUND PUBLIC SCHOOLS	5,228
		WEST LAS VEGAS SCHOOL DISTRICT	83,241
		ZUNI PUBLIC SCHOOL DIST	11,916
		Total for CFDA 84.367A	10,861,387

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
NOTES TO SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS
Year Ended June 30, 2015

Note 5 - Subrecipients of Grant Awards

U.S. DEPARTMENT OF EDUCATION

Federal CFDA Number	Program Name	Subrecipient Name	Amount
84.027A	Special Education - Grants to States		
		ACADEMY OF TRADES & TECHNOLOGY	31
		ACADEMY OF TRADES AND TECHNOLOGY	27,834
		ACE LEADERSHIP HIGH SCHOOL	55,451
		ALAMOGORDO PUBLIC SCHOOLS	1,379,123
		ALBUQUERQUE PUBLIC SCHOOLS	20,670,725
		ALBUQUERQUE SCHOOL OF EXCELLENCE	41,784
		ALBUQUERQUE SIGN LANGUAGE ACADEMY	30,195
		ALDO LEOPOLD CHARTER SCHOOL	30,133
		ALMAD'ARTE CHARTER HIGH SCHOOL	39,091
		AMY BIEHL CHARTER SCHOOL	130,924
		ANIMAS PUBLIC SCHOOLS	62,107
		ANTHONY CHARTER SCHOOL	14,174
		ARTESIA PUBLIC SCHOOLS	899,381
		ASK ACADEMY	40,678
		AZTEC MUNICIPAL SCHOOLS DISTRICT #2	983,038
		BELEN CONSOLIDATED SCHOOLS	1,058,274
		BERNALILLO PUBLIC SCHOOLS	652,938
		BLOOMFIELD SCHOOLS	747,521
		CAPITAN MUNICIPAL SCHOOLS	133,245
		CARLSBAD MUNICIPAL SCHOOLS	1,452,809
		CARRIZOZO MUNICIPAL SCHOOLS	32,057
		CENTRAL CONSOLIDATED SCHOOLS #22	1,913,396
		CENTRAL REGION EDUCATIONAL COOPERATIVE	238,341
		CESAR CHAVEZ COMMUNITY SCHOOL	42,248
		CHAMA VALLEY INDEPENDENT	106,587
		CIEN AGUAS INTERNATIONAL SCHOOL	45,060
		CIMARRON MUNICIPAL SCHOOLS	234,182
		CLAYTON MUNICIPAL SCHOOLS	133,641
		CLOUDCROFT MUNICIPAL SCHOOLS	138,468
		CLOVIS MUNICIPAL SCHOOLS	2,097,148
		COBRE CONSOLIDATED SCHOOLS	433,896
		CORAL COMMUNITY CHARTER	12,736
		CORONA PUBLIC SCHOOLS	25,681
		COTTONWOOD CLASSICAL PREPARATORY SCHOOL	75,947
		CREATIVE EDUCATION PREPARATORY	72,996
		CUBA INDEPENDENT SCHOOLS	169,042
		DEMING PUBLIC SCHOOLS	894,524
		DES MOINES MUNICIPAL SCHOOLS	33,785
		DEXTER CONSOLIDATED SCHOOLS	287,937
		DORA CONSOLIDATED SCHOOL	65,021
		DULCE INDEPENDENT SCHOOLS #21	166,310
		EAST MOUNTAIN HIGH SCHOOL	92,482
		ELIDA MUNICIPAL SCHOOLS	22,737
		ESPANOLA PUBLIC SCHOOL DISTRICT #55	991,748
		ESTANCIA BOARD OF EDUCATION	158,352
		ESTANCIA VALLEY CLASSICAL ACADEMY	52,206
		EUNICE PUBLIC SCHOOLS	227,245
		EXPLORE ACADEMY	31,803
		FARMINGTON MUNICIPAL SCHOOLS	3,051,574
		FLOYD MUNICIPAL SCHOOLS	48,745
		FORT SUMNER MUNICIPAL SCHOOLS	88,063
		GADSDEN INDEPENDENT SCHOOL DISTRICT	3,297,009

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Note 5 - Subrecipients of Grant Awards

U.S. DEPARTMENT OF EDUCATION

Federal CFDA Number	Program Name	Subrecipient Name	Amount
		GALLUP MCKINLEY COUNTY SCHOOL	2,333,093
		GILBERT L SENA HIGH SCHOOL	40,567
		GRADY MUNICIPAL SCHOOLS	12,266
		GRANTS/CIBOLA COUNTY SCHOOL	786,667
		GREAT ACADEMY, THE	28,921
		HAGERMAN MUNICIPAL SCHOOLS	112,753
		HATCH VALLEY MUNICIPAL SCHOOLS	292,508
		HEALTH LEADERSHIP HIGH SCHOOL	35,036
		HEALTH SCIENCES ACADEMY	17,059
		HOBBS MUNICIPAL SCHOOLS	1,787,007
		HONDO VALLEY SCHOOLS	30,849
		HORIZON ACADEMY WEST	68,987
		HOUSE MUNICIPAL SCHOOL	21,751
		INTERNATIONAL SCHOOL AT MESA DEL SOL,	48,210
		J PAUL TAYLOR ACADEMY	39,839
		JAL PUBLIC SCHOOLS	152,133
		JEMEZ MTN SCHOOL DIST NO 53	65,471
		JEMEZ VALLEY PUBLIC SCHOOLS	101,613
		LA ACADEMIA DOLORES HUERTA	27,253
		LA JICARITA COMMUNITY SCHOOL	290
		LA PROMESA EARLY LEARNING CENTER	56,797
		LA RESOLANA LEADERSHIP ACADEMY	18,454
		LA TIERRA MONTESSORI SCHOOL OF THE ARTS	20,792
		LAKE ARTHUR MUNICIPAL SCHOOLS	30,625
		LAS CRUCES PUBLIC SCHOOLS	903,062
		LAS CRUCES SCHOOL DISTRICT #2	5,337,720
		LAS VEGAS CITY SCHOOLS	562,702
		LOGAN MUNICIPAL SCHOOL	84,145
		LORDBURG MUNICIPAL SCHOOLS	155,187
		LOS ALAMOS PUBLIC SCHOOLS	918,356
		LOS LUNAS SCHOOLS	2,014,534
		LOVING MUNICIPAL SCHOOLS	134,713
		LOVINGTON MUNICIPAL SCHOOLS	727,583
		MAGDALENA MUNICIPAL SCHOOLS	97,459
		MASTERS PROGRAM, THE	13,419
		MAXWELL MUNICIPAL SCHOOL	74,188
		MCCURDY CHARTER SCHOOL	95,023
		MEDIA ARTS COLLABORATIVE CHARTER SCHOOL	35,261
		MELROSE MUNICIPAL SCHOOLS	62,454
		MESA VISTA CONSOLIDATED SCHOOL	104,949
		MISSION ACHIEVEMENT & SUCCESS CHARTER SC	42,731
		MONTESSORI ELEMENTARY SCHOOL	52,885
		MORA INDEPENDENT SCHOOLS	95,463
		MORIARTY MUNICIPAL SCHOOLS	871,307
		MOSQUERO MUNICIPAL SCHOOLS	16,407
		MOUNTAINAIR PUBLIC SCHOOLS	79,143
		NEW AMERICA SCHOOL LAS CRUCES	39,346
		NEW AMERICA SCHOOL, THE	43,676
		NEW MEXICO CONNECTIONS ACADEMY	100,640
		NEW MEXICO SCHOOL FOR THE ARTS	39,103
		NEW MEXICO SCHOOL FOR THE DEAF	73,546
		NM INTERNATIONAL SCHOOL, THE	24,307
		NM SCHL FOR THE BLIND & VISUALLY IMPAIRED	25,437

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NOTES TO SCHEDULE OF EXPENDITURES
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Note 5 - Subrecipients of Grant Awards

U.S. DEPARTMENT OF EDUCATION

Federal CFDA Number	Program Name	Subrecipient Name	Amount
		NORTH VALLEY ACADEMY	76,566
		PECOS INDEPENDENT SCHOOLS	199,407
		PENASCO INDEPENDENT SCHOOL DISTRICT	106,119
		POJOAQUE VALLEY SCHOOLS	454,313
		PORTALES MUNICIPAL SCHOOLS	528,974
		QUEMADO INDEPENDENT SCHOOL	43,812
		QUESTA INDEPENDENT SCHOOLS	118,972
		RATON PUBLIC SCHOOLS	307,489
		RED RIVER VALLEY CHARTER SCHOO	45,968
		RESERVE SCHOOL DISTRICT	52,947
		RIO RANCHO PUBLIC SCHOOLS	3,308,008
		ROSWELL INDEPENDENT SCHOOL DISTRICT	2,470,430
		ROY MUNICIPAL SCHOOLS	26,392
		RUIDOSO MUNICIPAL SCHOOLS	512,736
		SAGE MONTESSORI CHARTER SCHOOL	35,238
		SAN JON MUNICIPAL SCHOOLS	34,599
		SANTA FE PUBLIC SCHOOLS	3,070,463
		SANTA ROSA CONSOLIDATED SCHOOL	165,497
		SCHOOL OF DREAMS ACADEMY	38,640
		SILVER CITY CONSOLIDATED SCHOOLS	817,245
		SOCORRO CONSOLIDATED SCHOOLS	610,417
		SOUTH VALLEY PREPORATORY SCHOOL	28,991
		SOUTHWEST AERONAUTICS MATHEMATICS &	16,017
		SOUTHWEST INTERMEDIATE LEARNING CENTER	7,637
		SOUTHWEST PRIMARY LEARNING CTN	11,394
		SOUTHWEST SECONDARY LEARNING	29,113
		SPRINGER MUNICIPAL SCHOOLS	52,989
		T OR C MUNICIPAL SCHOOLS	340,294
		TAOS ACADEMY	36,279
		TAOS INTEGRATED SCHOOL OF THE ARTS	26,262
		TAOS INTERNATIONAL SCHOOL	12,910
		TAOS MUNICIPAL SCHOOLS	922,766
		TATUM MUNICIPAL SCHOOLS	112,233
		TEXICO MUNICIPAL SCHOOL	128,156
		TIERRA ADENTRO OF NEW MEXICO	46,934
		TUCUMCARI PUBLIC SCHOOLS	299,455
		TULAROSA MUNICIPAL SCHOOLS	262,448
		UPLIFT COMMUNITY SCHOOL	13,358
		VAUGHN MUNICIPAL SCHOOLS	62,382
		WAGON MOUND PUBLIC SCHOOLS	46,333
		WALATOWA CHARTER HIGH SCHOOL	3,223
		WEST LAS VEGAS SCHOOL DISTRICT	375,982
		WILLIAM W & JOSEPH CHARTER COMMUNITY SCH	7,307
		ZUNI PUBLIC SCHOOL DIST	394,435
		Total for CFDA 84.027A	78,945,240
84.048A	Carl Perkins - Voc. Educ. - Basic Grants to States/Adult Educ. - State Grant Program		
		ALAMOGORDO PUBLIC SCHOOLS	66,519
		ALBUQUERQUE PUBLIC SCHOOLS	1,176,929
		AZTEC MUNICIPAL SCHOOLS DISTRICT #2	18,106
		BELEN CONSOLIDATED SCHOOLS	57,201
		BERNALILLO PUBLIC SCHOOLS	88,157
		BLOOMFIELD SCHOOLS	34,083

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Note 5 - Subrecipients of Grant Awards

U.S. DEPARTMENT OF EDUCATION

Federal CFDA Number	Program Name	Subrecipient Name	Amount
		CARLSBAD MUNICIPAL SCHOOLS	75,302
		CENTRAL CONSOLIDATED SCHOOLS #22	50,239
		CENTRAL NEW MEXICO COMMUNITY COLLEGE	997,604
		CLOVIS COMMUNITY COLLEGE	122,200
		CLOVIS MUNICIPAL SCHOOLS	92,527
		DEMING PUBLIC SCHOOLS	59,456
		DEXTER CONSOLIDATED SCHOOLS	2,910
		EASTERN NEW MEXICO UNIVERSITY-ROSWELL	140,824
		ESPANOLA PUBLIC SCHOOL DISTRICT #55	58,678
		FARMINGTON MUNICIPAL SCHOOLS	122,372
		GADSDEN INDEPENDENT SCHOOL DISTRICT	295,862
		GALLUP MCKINLEY COUNTY SCHOOL	124,073
		GRANTS/CIBOLA COUNTY SCHOOL	30,726
		HOBBS MUNICIPAL SCHOOLS	1,721
		LAS CRUCES PUBLIC SCHOOLS	2,688
		LAS CRUCES SCHOOL DISTRICT #2	307,210
		LOS LUNAS SCHOOLS	83,358
		LOVING MUNICIPAL SCHOOLS	15,083
		MORA INDEPENDENT SCHOOLS	43,505
		NORTHEAST REGIONAL EDUCATION	47,466
		NORTHERN NEW MEXICO COLLEGE	70,380
		PORTALES MUNICIPAL SCHOOLS	32,842
		REGENTS OF NEW MEXICO STATE UNIVERSITY	547,620
		REGION IX EDUCATION COOP	77,880
		RIO RANCHO PUBLIC SCHOOLS	139,392
		ROSWELL INDEPENDENT SCHOOL DISTRICT	127,972
		SAN JUAN COLLEGE	316,467
		SANTA FE COMMUNITY COLLEGE	252,710
		SANTA FE PUBLIC SCHOOLS	92,590
		SOCORRO CONSOLIDATED SCHOOLS	16,312
		T OR C MUNICIPAL SCHOOLS	5,969
		TAOS MUNICIPAL SCHOOLS	18,936
		THE UNIVERSITY OF NEW MEXICO	267,988
		WESTERN NEW MEXICO UNIVERSITY	105,124
		ZUNI PUBLIC SCHOOL DIST	22,561
		Total for CFDA 84.048A	6,209,542
84.196A	Education for Homeless Children and Youth		
		ALAMOGORDO PUBLIC SCHOOLS	9,800
		ALBUQUERQUE PUBLIC SCHOOLS	67,894
		BELÉN CONSOLIDATED SCHOOLS	24,882
		DEMING PUBLIC SCHOOLS	33,818
		FARMINGTON MUNICIPAL SCHOOLS	14,007
		FORT SUMNER MUNICIPAL SCHOOLS	541
		GADSDEN INDEPENDENT SCHOOL DISTRICT	20,036
		GALLUP MCKINLEY COUNTY SCHOOL	16,992
		LAS CRUCES SCHOOL DISTRICT #2	27,272
		LORDSBURG MUNICIPAL SCHOOLS	3,165
		LOS LUNAS SCHOOLS	27,820
		MORIARTY MUNICIPAL SCHOOLS	10,020
		RIO RANCHO PUBLIC SCHOOLS	18,354
		SANTA FE PUBLIC SCHOOLS	54,926
		SILVER CITY CONSOLIDATED SCHOOLS	1,826

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Note 5 - Subrecipients of Grant Awards

U.S. DEPARTMENT OF EDUCATION

Federal CFDA Number	Program Name	Subrecipient Name	Amount
		SOCORRO CONSOLIDATED SCHOOLS	5,207
		T OR C MUNICIPAL SCHOOLS	6,402
		WEST LAS VEGAS SCHOOL DISTRICT	209
		Total for CFDA 84.196A	343,171
84.137A	Special Education - Preschool		
		ALAMOGORDO PUBLIC SCHOOLS	77,970
		ALBUQUERQUE PUBLIC SCHOOLS	355,837
		ANIMAS PUBLIC SCHOOLS	5,590
		ARTESIA PUBLIC SCHOOLS	54,103
		AZTEC MUNICIPAL SCHOOLS DISTRICT #2	18,821
		BELEN CONSOLIDATED SCHOOLS	8,553
		BERNALILLO PUBLIC SCHOOLS	33,296
		BLOOMFIELD SCHOOLS	69,143
		CAPITAN MUNICIPAL SCHOOLS	3,264
		CARLSBAD MUNICIPAL SCHOOLS	42,454
		CARRIZO MUNICIPAL SCHOOLS	2,331
		CENTRAL CONSOLIDATED SCHOOLS #22	30,108
		CHAMA VALLEY INDEPENDENT	1,086
		CIMARRON MUNICIPAL SCHOOLS	13,087
		CLAYTON MUNICIPAL SCHOOLS	13,480
		CLOUDCROFT MUNICIPAL SCHOOLS	498
		CLOVIS MUNICIPAL SCHOOLS	67,875
		COBRE CONSOLIDATED SCHOOLS	10,339
		CORONA PUBLIC SCHOOLS	199
		CUBA INDEPENDENT SCHOOLS	8,751
		DEMING PUBLIC SCHOOLS	17,599
		DES MOINES MUNICIPAL SCHOOLS	933
		DEXTER CONSOLIDATED SCHOOLS	11,510
		DORA CONSOLIDATED SCHOOL	7,940
		DULCE INDEPENDENT SCHOOLS #21	5,457
		ELIDA MUNICIPAL SCHOOLS	807
		ESPANOLA PUBLIC SCHOOL DISTRICT #55	12,114
		ESTANCIA BOARD OF EDUCATION	12,064
		EUNICE PUBLIC SCHOOLS	2,157
		FARMINGTON MUNICIPAL SCHOOLS	38,784
		FLOYD MUNICIPAL SCHOOLS	13,071
		FORT SUMNER MUNICIPAL SCHOOLS	5,686
		GADSDEN INDEPENDENT SCHOOL DISTRICT	75,130
		GALLUP MCKINLEY COUNTY SCHOOL	146,874
		GRADY MUNICIPAL SCHOOLS	1,391
		GRANTS/CIBOLA COUNTY SCHOOL	37,571
		HAGERMAN MUNICIPAL SCHOOLS	5,755
		HATCH VALLEY MUNICIPAL SCHOOLS	15,253
		HOBBS MUNICIPAL SCHOOLS	72,201
		HOUSE MUNICIPAL SCHOOL	4,572
		JAL PUBLIC SCHOOLS	8,523
		JEMEZ MTN SCHOOL DIST NO 53	3,343
		JEMEZ VALLEY PUBLIC SCHOOLS	5,774
		LAKE ARTHUR MUNICIPAL SCHOOLS	2,798
		LAS CRUCES SCHOOL DISTRICT #2	115,108
		LAS VEGAS CITY SCHOOLS	7,927
		LOGAN MUNICIPAL SCHOOL	5,021

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OF FEDERAL AWARDS
Year Ended June 30, 2015

Note 5 - Subrecipients of Grant Awards

U.S. DEPARTMENT OF EDUCATION

Federal CFDA Number	Program Name	Subrecipient Name	Amount
		LORDSBURG MUNICIPAL SCHOOLS	19,998
		LOS ALAMOS PUBLIC SCHOOLS	21,506
		LOS LUNAS SCHOOLS	42,440
		LOVING MUNICIPAL SCHOOLS	6,577
		LOVINGTON MUNICIPAL SCHOOLS	22,286
		MAGDALENA MUNICIPAL SCHOOLS	9,432
		MAXWELL MUNICIPAL SCHOOL	2,266
		MELROSE MUNICIPAL SCHOOLS	3,945
		MESA VISTA CONSOLIDATED SCHOOL	3,004
		MORA INDEPENDENT SCHOOLS	2,305
		MORIARTY MUNICIPAL SCHOOLS	51,210
		MOSQUERO MUNICIPAL SCHOOLS	1,871
		MOUNTAINAIR PUBLIC SCHOOLS	2,563
		PECOS INDEPENDENT SCHOOLS	6,264
		PENASCO INDEPENDENT SCHOOL DISTRICT	8,193
		POJOAQUE VALLEY SCHOOLS	2,302
		PORTALES MUNICIPAL SCHOOLS	9,890
		QUEMADO INDEPENDENT SCHOOL	1,002
		QUESTA INDEPENDENT SCHOOLS	429
		RATON PUBLIC SCHOOLS	26,158
		RESERVE SCHOOL DISTRICT	6,402
		RIO RANCHO PUBLIC SCHOOLS	43,149
		ROSWELL INDEPENDENT SCHOOL DISTRICT	82,119
		RUIDOSO MUNICIPAL SCHOOLS	26,577
		SAN JON MUNICIPAL SCHOOLS	3,000
		SANTA FE PUBLIC SCHOOLS	43,722
		SANTA ROSA CONSOLIDATED SCHOOL	4,491
		SILVER CITY CONSOLIDATED SCHOOLS	25,233
		SOCORRO CONSOLIDATED SCHOOLS	10,732
		SPRINGER MUNICIPAL SCHOOLS	2,483
		T OR C MUNICIPAL SCHOOLS	13,913
		TAOS MUNICIPAL SCHOOLS	16,882
		TATUM MUNICIPAL SCHOOLS	18,071
		TEXICO MUNICIPAL SCHOOL	7,851
		TUCUMCARI PUBLIC SCHOOLS	21,561
		TULAROSA MUNICIPAL SCHOOLS	9,325
		VAUGHN MUNICIPAL SCHOOLS	2,859
		WAGON MOUND PUBLIC SCHOOLS	2,536
		WEST LAS VEGAS SCHOOL DISTRICT	11,326
		ZUNI PUBLIC SCHOOL DIST	3,320
		Total for CFDA 84.137A	<u>2,051,341</u>
TOTAL U.S. DEPARTMENT OF EDUCATION			<u>\$ 207,373,604</u>

DEPARTMENT OF AGRICULTURE

10.555	National School Lunch Program		
		21ST CENTURY PUBLIC ACADEMY	\$ 9,298
		ACADEMY OF TRADES AND TECHNOLOGY	31,588
		ACE LEADERSHIP HIGH SCHOOL	62,791
		ALAMO NAVAJO SCHOOL BOARD INC	264,583
		ALAMOGORDO PUBLIC SCHOOLS	1,813,956
		ALBUQUERQUE ACADEMY	46,532
		ALBUQUERQUE PUBLIC SCHOOLS	29,696,531
		ALBUQUERQUE SCHOOL OF EXCELLENCE	40,865
		ALBUQUERQUE SIGN LANGUAGE ACADEMY	31,438
		ALBUQUERQUE TALENT DEVELOPMENT SECONDAI	61,916
		ALICE KING COMMUNITY SCHOOL	35,894
		ALMAD'ARTE CHARTER HIGH SCHOOL	44,359
		AMIKIDS INC	31,599
		AMY BIEHL CHARTER SCHOOL	32,197

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
NOTES TO SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS
Year Ended June 30, 2015

Note 5 - Subrecipients of Grant Awards

DEPARTMENT OF AGRICULTURE

Federal CFDA Number	Program Name	Subrecipient Name	Amount
		ANIMAS PUBLIC SCHOOLS	59,596
		ANTHONY CHARTER SCHOOL	26,293
		ARTESIA PUBLIC SCHOOLS	1,041,358
		AZTEC MUNICIPAL SCHOOLS DISTRICT #2	933,534
		BELEN CONSOLIDATED SCHOOLS	2,181,900
		BERNALILLO PUBLIC SCHOOLS	1,760,037
		BERNALILLO, COUNTY OF	86,408
		BLOOMFIELD SCHOOLS	1,129,943
		BORREGO PASS SCHOOL	94,503
		CALVARY CHRISTIAN ACADEMY	2,981
		CAPITAN MUNICIPAL SCHOOLS	178,588
		CARLSBAD MUNICIPAL SCHOOLS	2,482,615
		CARRIZO MUNICIPAL SCHOOLS	82,676
		CENTRAL CONSOLIDATED SCHOOLS #22	3,450,569
		CESAR CHAVEZ COMMUNITY SCHOOL	49,554
		CHAMA VALLEY INDEPENDENT	213,024
		CHAVES COUNTY	20,832
		CHILDHAVEN INC	27,893
		CH'OOSHGAI COMMUNITY	224,793
		CHRIST LUTHERAN CHURCH	2,322
		CHRISTINE DUNCAN HERITAGE ACADEMY	145,862
		CIEN AGUAS INTERNATIONAL SCHOOL	47,694
		CIMARRON MUNICIPAL SCHOOLS	203,578
		CLAYTON MUNICIPAL SCHOOLS	166,425
		CLOUDCROFT MUNICIPAL SCHOOLS	68,339
		CLOVIS MUNICIPAL SCHOOLS	3,560,250
		COBRE CONSOLIDATED SCHOOLS	854,159
		CORAL COMMUNITY CHARTER	20,220
		CORONA PUBLIC SCHOOLS	34,379
		CORRALES INTERNATIONAL SCHOOL	16,806
		CRYSTAL BOARDING	93,899
		CUBA INDEPENDENT SCHOOLS	327,709
		CURRY COUNTY	9,870
		DEMING PUBLIC SCHOOLS	4,087,666
		DES MOINES MUNICIPAL SCHOOLS	25,730
		DEXTER CONSOLIDATED SCHOOLS	580,013
		DOI BUREAU OF INDIAN EDUCATION	2,854,123
		DONA ANA COUNTY	36,872
		DORA CONSOLIDATED SCHOOL	57,246
		DULCE INDEPENDENT SCHOOLS #21	358,152
		DZILTH-NA-O-DITH-HLE COMMUNITY	99,837
		EL CAMINO REAL ACADEMY	242,436
		ELIDA MUNICIPAL SCHOOLS	46,465
		ESPANOLA PUBLIC SCHOOL DISTRICT #55	1,654,081
		ESTANCIA BOARD OF EDUCATION	282,587
		EUNICE PUBLIC SCHOOLS	256,856
		EXPLORE ACADEMY	16,005
		FARMINGTON MUNICIPAL SCHOOLS	2,999,930
		FLOYD MUNICIPAL SCHOOLS	90,985
		FORT SUMNER MUNICIPAL SCHOOLS	107,923
		GADSDEN INDEPENDENT SCHOOL DISTRICT	8,507,261
		GALLUP CATHOLIC	10,324
		GALLUP MCKINLEY COUNTY SCHOOL	5,765,485

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
NOTES TO SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS
Year Ended June 30, 2015

Note 5 - Subrecipients of Grant Awards

DEPARTMENT OF AGRICULTURE

Federal CFDA Number	Program Name	Subrecipient Name	Amount
		GILBERT L SENA HIGH SCHOOL	11,217
		GRADY MUNICIPAL SCHOOLS	44,722
		GRANTS/CIBOLA COUNTY SCHOOL	2,053,130
		GUADALUPE MONTESSORI SCHOOL INC	19,075
		HAGERMAN MUNICIPAL SCHOOLS	307,605
		HATCH VALLEY MUNICIPAL SCHOOLS	807,180
		HEALTH LEADERSHIP HIGH SCHOOL	34,231
		HEALTH SCIENCES ACADEMY	81,300
		HOBBS MUNICIPAL SCHOOLS	2,644,052
		HOLY CROSS SCHOOL SC	15,718
		HONDO VALLEY SCHOOLS	52,593
		HORIZON ACADEMY WEST	228,585
		HOUSE MUNICIPAL SCHOOL	14,562
		IMMANUEL LUTHERAN CHURCH/SCHOOL	12,366
		INTERNATIONAL SCHOOL AT MESA DEL SOL,	47,387
		J PAUL TAYLOR ACADEMY	35,315
		JAL PUBLIC SCHOOLS	123,202
		JEFFERSON MONTESSORI ACADEMY	34,781
		JEMEZ MTN SCHOOL DIST NO 53	138,414
		JEMEZ VALLEY PUBLIC SCHOOLS	190,560
		LA ACADEMIA DE ESPERANZA	216,560
		LA ACADEMIA DOLORES HUERTA	89,467
		LA PROMESA EARLY LEARNING CENTER	325,813
		LA RESOLANA LEADERSHIP ACADEMY	50,740
		LAKE ARTHUR MUNICIPAL SCHOOLS	79,665
		LAS CRUCES CATHOLIC SCHOOL INC	10,007
		LAS CRUCES SCHOOL DISTRICT #2	9,248,613
		LAS MONTANAS CHARTER HIGH SCHOOL	57,542
		LAS VEGAS CITY SCHOOLS	651,111
		LINDRITH AREA HERITAGE SCHOOL	10,784
		LOGAN MUNICIPAL SCHOOL	88,282
		LORDSBURG MUNICIPAL SCHOOLS	258,274
		LOS ALAMOS PUBLIC SCHOOLS	65,211
		LOS LUNAS SCHOOLS	3,446,689
		LOS PUENTES CHARTER SCHOOL	80,900
		LOVING MUNICIPAL SCHOOLS	369,140
		LOVINGTON MUNICIPAL SCHOOLS	1,106,822
		MAGDALENA MUNICIPAL SCHOOLS	204,024
		MAXWELL MUNICIPAL SCHOOL	38,911
		MCCURDY CHARTER SCHOOL	157,242
		MEDIA ARTS COLLABORATIVE CHARTER SCHOOL	44,890
		MELROSE MUNICIPAL SCHOOLS	58,261
		MESA VISTA CONSOLIDATED SCHOOL	184,562
		MESCALERO APACHE SCHOOL	218,488
		MISSION ACHIEVEMENT & SUCCESS CHARTER SC	267,494
		MONTE DEL SOL CHARTER SCHOOL	64,414
		MORA INDEPENDENT SCHOOLS	315,893
		MORIARTY MUNICIPAL SCHOOLS	853,815
		MOSQUERO MUNICIPAL SCHOOLS	9,323
		MOUNTAIN MAHOGANY COMMUNITY SCHOOL	23,609
		MOUNTAINAIR PUBLIC SCHOOLS	143,223
		NA NEELZHIIN JI OLTA INC	89,340
		NATIVE AMERICAN COMMUNITY ACADEMY	165,689

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
NOTES TO SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS
Year Ended June 30, 2015

Note 5 - Subrecipients of Grant Awards

DEPARTMENT OF AGRICULTURE

Federal CFDA Number	Program Name	Subrecipient Name	Amount
		NAVAJO PREPARATORY SCHOOL INC	131,704
		NEW AMERICA SCHOOL LAS CRUCES	35,540
		NEW AMERICA SCHOOL, THE	81,523
		NEW MEXICO SCHOOL FOR THE ARTS	11,448
		NEW MEXICO SCHOOL FOR THE DEAF	44,366
		NM DEPARTMENT OF MILITARY AFFAIRS	87,382
		NM SCHL FOR THE BLIND & VISUALLY IMPAIRED	13,645
		NM SCHOOL FOR ARCHITECTURE CONSTRUCTION	21,885
		NORTH VALLEY ACADEMY	135,884
		NUESTROS VALORE CHARTER SCHOOL	31,207
		OHKAY OWINGEH COMMUNITY SCHOOL	65,532
		OUR LADY OF ASSUMPTION	9,049
		PECOS INDEPENDENT SCHOOLS	325,223
		PENASCO INDEPENDENT SCHOOL DISTRICT	229,898
		POJOAQUE VALLEY SCHOOLS	762,521
		PORTALES MUNICIPAL SCHOOLS	1,136,130
		PUBLIC ACADEMY PERFORMING ARTS	47,469
		PUEBLO OF LAGUNA DEPARTMENT OF EDUCATION	186,901
		QUAY COUNTY	2,808
		QUEEN OF HEAVEN SCHOOL	2,944
		QUEMADO INDEPENDENT SCHOOL	60,219
		QUESTA INDEPENDENT SCHOOLS	207,363
		RAMAH NAVAJO SCHOOL BOARD INC	94,669
		RATON PUBLIC SCHOOLS	468,064
		RED RIVER VALLEY CHARTER SCHOO	26,341
		REHOBOTH CHRISTIAN SCHOOL	159,437
		RESERVE SCHOOL DISTRICT	49,755
		RIO GALLINAS CHARTER	44,185
		RIO RANCHO PUBLIC SCHOOLS	3,351,433
		ROBERT F KENNEDY CHARTER	100,644
		ROSWELL INDEPENDENT SCHOOL DISTRICT	5,867,597
		ROY MUNICIPAL SCHOOLS	18,778
		RUIDOSO MUNICIPAL SCHOOLS	848,871
		SAN DIEGO RIVERSIDE SCHOOL	70,046
		SAN FELIPE DE NERI SCHOOL	19,790
		SAN JON MUNICIPAL SCHOOLS	44,492
		SAN JUAN, COUNTY OF	70,492
		SANTA FE INDIAN SCHOOL INC	327,861
		SANTA FE PUBLIC SCHOOLS	5,062,242
		SANTA FE, COUNTY OF	31,853
		SANTA ROSA CONSOLIDATED SCHOOL	375,134
		SANTO NINO REGIONAL CATHOLIC SCHOOL	36,855
		SEQUOYAH ADOLESCENT CENTER	48,641
		SHIPROCK ALTERNATIVE SCHOOLS INC	234,259
		SILVER CITY CONSOLIDATED SCHOOLS	1,122,198
		SOCORRO CONSOLIDATED SCHOOLS	905,785
		SOUTH VALLEY ACADEMY	199,384
		SOUTH VALLEY PREPORATORY SCHOOL	55,547
		SPRINGER MUNICIPAL SCHOOLS	80,034
		ST ANTHONY INDIAN SCHOOL INC	78,475
		ST BONAVENTURE INDIAN MISSION AND SCHOOL	127,978
		ST CHARLES BORROMEO SCHOOL	17,695
		ST FRANCIS OF ASSISI SCHOOL	51,353

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
NOTES TO SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS
Year Ended June 30, 2015

Note 5 - Subrecipients of Grant Awards

DEPARTMENT OF AGRICULTURE

Federal CFDA Number	Program Name	Subrecipient Name	Amount	
		ST FRANCIS SCHOOL	37,067	
		ST MARY SCHOOL	48,104	
		ST MARY SCHOOL LUNCH PROGRAM	18,868	
		ST THERESE CATHOLIC SCHOOL	20,650	
		ST. TERESA OF AVILA SCHOOL, INC.	22,790	
		ST. THOMAS AQUINAS SCHOOL	30,604	
		T OR C MUNICIPAL SCHOOLS	706,812	
		TAOS MUNICIPAL SCHOOLS	1,371,384	
		TATUM MUNICIPAL SCHOOLS	76,509	
		TEXICO MUNICIPAL SCHOOL	118,752	
		TIERRA ADENTRO OF NEW MEXICO	61,989	
		TOHAJILEE COMMUNITY SCHOOL BOARD OF	247,849	
		TUCUMCARI PUBLIC SCHOOLS	595,008	
		TULAROSA MUNICIPAL SCHOOLS	442,963	
		UNIVERSITY OF NEW MEXICO HOSPITAL	43,062	
		UPLIFT COMMUNITY SCHOOL	37,577	
		VAUGHN MUNICIPAL SCHOOLS	53,286	
		WAGON MOUND PUBLIC SCHOOLS	38,718	
		WALATOWA CHARTER HIGH SCHOOL	35,435	
		WEST LAS VEGAS SCHOOL DISTRICT	1,103,085	
		WILLIAM W & JOSEPH CHARTER COMMUNITY SCH	34,333	
		YOUTH DEVELOPMENT INC	10,129	
		ZUNI PUBLIC SCHOOL DIST	919,405	
		CYFD	417,902	
		MILITARY AFFAIRS	55,500	
		Total for CFDA 10.555		135,941,236
10.579	National School Lunch Program			
		ALAMO NAVAJO SCHOOL BOARD INC	12,869	
		ANIMAS PUBLIC SCHOOLS	12,500	
		BELÉN CONSOLIDATED SCHOOLS	13,573	
		CHAMA VALLEY INDEPENDENT	7,500	
		CLAYTON MUNICIPAL SCHOOLS	12,000	
		CUBA INDEPENDENT SCHOOLS	11,982	
		DEXTER CONSOLIDATED SCHOOLS	12,500	
		ESPAÑOLA PUBLIC SCHOOL DISTRICT #55	11,000	
		ESTANCIA BOARD OF EDUCATION	12,500	
		LAS VEGAS CITY SCHOOLS	5,295	
		LINDRITH AREA HERITAGE SCHOOL	6,497	
		LOS LUNAS SCHOOLS	15,414	
		NUESTROS VALORE CHARTER SCHOOL	5,488	
		OHKAY OWINGEH COMMUNITY SCHOOL	10,913	
		QUESTA INDEPENDENT SCHOOLS	6,034	
		SANTA ROSA CONSOLIDATED SCHOOL	11,400	
		SILVER CITY CONSOLIDATED SCHOOLS	10,415	
		TUCUMCARI PUBLIC SCHOOLS	12,000	
		WAGON MOUND PUBLIC SCHOOLS	9,308	
		Total for CFDA 10.579		199,188
10.582	Fresh Fruits and Vegetables			
		ALAMOGORDO PUBLIC SCHOOLS	56,808	
		BELÉN CONSOLIDATED SCHOOLS	108,396	
		BERNALILLO PUBLIC SCHOOLS	63,063	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
NOTES TO SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS
Year Ended June 30, 2015

Note 5 - Subrecipients of Grant Awards

DEPARTMENT OF AGRICULTURE

Federal CFDA Number	Program Name	Subrecipient Name	Amount
		BLOOMFIELD SCHOOLS	78,152
		CHRISTINE DUNCAN HERITAGE ACADEMY	6,972
		CIMARRON MUNICIPAL SCHOOLS	8,503
		CLAYTON MUNICIPAL SCHOOLS	4,191
		COBRE CONSOLIDATED SCHOOLS	33,695
		DEMING PUBLIC SCHOOLS	119,502
		DOI BUREAU OF INDIAN EDUCATION	1,819
		DULCE INDEPENDENT SCHOOLS #21	14,944
		EL CAMINO REAL ACADEMY	10,779
		ESPANOLA PUBLIC SCHOOL DISTRICT #55	78,906
		FARMINGTON MUNICIPAL SCHOOLS	51,691
		GADSDEN INDEPENDENT SCHOOL DISTRICT	324,039
		GALLUP MCKINLEY COUNTY SCHOOL	137,673
		GRANTS/CIBOLA COUNTY SCHOOL	72,062
		HONDO VALLEY SCHOOLS	1,519
		LA PROMESA EARLY LEARNING CENTER	18,830
		LAS CRUCES SCHOOL DISTRICT #2	306,100
		LAS VEGAS CITY SCHOOLS	45,667
		LOGAN MUNICIPAL SCHOOL	5,957
		MAGDALENA MUNICIPAL SCHOOLS	6,976
		MESA VISTA CONSOLIDATED SCHOOL	3,717
		MORA INDEPENDENT SCHOOLS	10,400
		MORIARTY MUNICIPAL SCHOOLS	29,985
		MOUNTAINAIR PUBLIC SCHOOLS	6,008
		PENASCO INDEPENDENT SCHOOL DISTRICT	6,945
		QUEMADO INDEPENDENT SCHOOL	3,915
		QUESTA INDEPENDENT SCHOOLS	6,415
		RATON PUBLIC SCHOOLS	27,819
		SILVER CITY CONSOLIDATED SCHOOLS	45,951
		SPRINGER MUNICIPAL SCHOOLS	4,740
		ST ANTHONY INDIAN SCHOOL INC	4,801
		T OR C MUNICIPAL SCHOOLS	25,937
		TAOS MUNICIPAL SCHOOLS	899
		WAGON MOUND PUBLIC SCHOOLS	1,112
		WEST LAS VEGAS SCHOOL DISTRICT	28,091
		ZUNI PUBLIC SCHOOL DIST	29,568
		Total for CFDA 10.582	1,792,547
TOTAL DEPARTMENT OF AGRICULTURE			<u>\$ 137,932,971</u>
TOTAL SUBRECIPIENT FUNDS PASSED THROUGH			<u>\$ 345,306,575</u>

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COMPLIANCE

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INDEPENDENT AUDITOR'S 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

To Hanna Skandera, Secretary of Education
New Mexico Public Education Department
and Mr. Tim Keller
New Mexico State Auditor

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each discretely presented component unit (New Mexico state chartered charter schools), each major fund, and the aggregate remaining fund information, and the budgetary comparisons for the general and major special revenue funds of the New Mexico Education Department ("Department"), as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the Department's basic financial statements, and the Department's nonmajor governmental funds and fiduciary funds, and the budgetary comparison for the major capital projects fund and all nonmajor funds presented as supplementary information in the accompanying combining and individual fund financial statements, and have issued our report thereon dated November 20, 2015. We disclaimed our opinion on six component unit's statements. See our opinion beginning on page 10 of volume I for further details.

Internal Control over Financial Reporting

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

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

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

and questioned costs, to be material weaknesses.

Entity	Material Weakness Reference
Public Education Department	2015-001
Division of Vocational Rehabilitation	2015-002
Academy of Trades and Technology	2012-002
ACE Leadership High School	2015-002
ASK Academy Foundation	2015-001
Creative Education Preparatory Institute	2009-024, 2011-001, 2011-003, 2013-002 2014-001, 2015-001
Dream Dine Charter School	2015-001
J. Paul Taylor	2015-003
SW Aeronautics, Mathematics, Science Academy	2014-001
SW Intermediate Learning Center	2014-001
SW Primary Learning Center	2014-001
SW Secondary Learning Center	2014-001

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the following deficiencies, described in the accompany schedule of findings and questioned costs, to be significant deficiencies.

Entity	Significant Deficiency Reference
Division of Vocational Rehabilitation	2014-003
Academy of Trades and Technology	2015-001
ACE Leadership High School	2015-003
Albuquerque School of Excellence	2015-001, 2015-003
Cottonwood Classical Preparatory School	2015-001
Creative Education Preparatory Institute	2014-003
East Mountain High School	2014-002
Estancia Valley Classical Academy	2015-002
Explore Academy	2015-001
Gilbert L Sena	2014-001, 2015-003
Health Science Academy	2015-001
J. Paul Taylor	2014-001
La Academia Dolores Huerta Charter School	2015-001, 2015-004
La Promesa Early Learning Center	2014-001, 2015-001
La Resolana Leadership Academy	2015-002
The Masters Program	2014-002
McCurdy Charter School	2014-006
Mission Achievement and Success	2014-001, 2015-001
New Mexico Connections Academy	2014-004
North Valley Academy	2015-001
Red River Valley Charter School	2015-002
Sage Montessori Charter School	2015-002
The Learning Community Charter School	2015-001
Tierra Adentro	2014-001, 2015-001
Uplift Community School	2014-001, 2015-002
Walatowa High Charter School	2015-003, 2015-005

Compliance and Other Matters

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

Entity	Compliance and Other Matters Reference
Public Education Department	2013-003, 2013-005
Division of Vocational Rehabilitation	2014-004
Academy of Trades and Technology	2013-001
ACE Leadership High School	2015-001, 2015-004
Albuquerque Institute for Mathematics & Science	2015-001
Albuquerque School of Excellence	2015-002, 2015-004
Albuquerque Sign Language	2014-001, 2014-002
Alma D'Arte Charter High School	2014-001, 2015-001, 2015-002, 2015-003
Amy Biehl	2014-001, 2015-001
Anthony Charter School	2014-001, 2014-002, 2014-003, 2015-001 2015-002
The ASK Academy	2013-001, 2015-001
Cesar Chavez	2015-001
Cien Aguas International School	2014-001, 2014-002, 2014-003, 2015-001 2015-002
Coral Community Charter School	2014-001, 2014-002, 2015-001, 2015-002
Cottonwood Classical Preparatory School	2014-002, 2014-003, 2015-002, 2015-003 2015-004
Creative Education Preparatory Institute	2011-002, 2012-003, 2014-002, 2014-005
Dream Dine Charter School	2015-002
East Mountain High School	2014-003, 2015-001
Estancia Valley Classical Academy	2015-001
Explore Academy	2015-002, 2015-003
Gilbert L Sena	2015-001, 2015-002, 2015-004
The Great Academy	2015-001, 2015-002
Health Leadership High School	2015-001, 2015-002, 2015-003, 2015-004 2015-005, 2015-006
Health Science Academy	2015-002, 2015-003, 2015-004
Horizon Academy West	2014-001, 2014-005, 2015-001, 2015-002 2015-003
The International School at Mesa Del Sol	2014-001
J. Paul Taylor	2015-001, 2015-002
La Academia Dolores Huerta Charter School	2015-002, 2015-003, 2015-005
La Jicarita Community School	2014-003, 2015-001
La Promesa Early Learning Center	2015-002
La Resolana Leadership Academy	2015-001

<u>Entity</u>	<u>Compliance and Other Matters Reference</u>
The Masters Program	2014-001, 2014-003, 2015-001
McCurdy Charter School	2014-003, 2014-007
Media Arts Collaborative Charter School	2014-001
Mission Achievement and Success	2014-002
New America School	2012-002, 2015-001, 2015-002, 2015-003
New America School Las Cruces	2014-001, 2014-002, 2015-001
New Mexico Connections Academy	2014-002, 2014-003, 2015-001
New Mexico International School	2014-005, 2015-001
New Mexico School of the Arts	2015-001, 2015-002, 2015-003
North Valley Academy	2014-002, 2015-002
Ralph J Bunch	2015-002
Red River Valley Charter School	2015-001, 2015-003, 2015-004
Sage Montessori Charter School	2014-002, 2015-001, 2015-003
School of Dreams	2014-001, 2015-001, 2015-002
SW Aeronautics, Mathematics, Science Academy	2014-002
SW Intermediate Learning Center	2014-002
SW Primary Learning Center	2014-002
SW Secondary Learning Center	2014-002
Taos Academy	2014-001, 2015-001, 2015-002
Taos Integrated School of the Arts	2015-001, 2015-002, 2015-003
Taos International School	2015-001, 2015-002, 2015-003, 2015-004
The Learning Community Charter School	2009-003, 2013-002, 2014-001
Tierra Adentro	2015-002, 2015-003, 2015-004, 2015-005
Uplift Community School	2013-002, 2014-003, 2014-004, 2015-001 2015-003
Walatowa High Charter School	2013-001, 2013-004, 2014-001, 2014-002 2015-001, 2015-002, 2015-004
William W and Josephine Dorn Charter School	2014-001, 2014-002, 2014-005, 2015-001

Department's Response to Findings

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

Purpose of this Report

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



Albuquerque, New Mexico
November 20, 2015

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133**

To Hanna Skandera, Secretary of Education
New Mexico Public Education Department
and Mr. Tim Keller
New Mexico State Auditor

Report on Compliance for Each Major Federal Program

We have audited the New Mexico Education Department's ("Department") compliance with the types of compliance requirements described in the OMB Circular A-133 Compliance Supplement that could have direct and material effect on each of the Department's major federal programs for the year ended June 30, 2015. The Department's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Department's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the 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 on compliance for each major federal program. However, our audit does not provide a legal determination of the Department's compliance.

Basis for Modified Opinion on the Rehabilitation Services CFDA 84.126 Program

As described in the accompanying schedule of findings and questioned costs, the Department did not comply with requirements regarding CFDA 84.126 Rehabilitation Services as described in finding number 2015-003 for Level of Effort. Compliance with such requirements is necessary, in our opinion, for the Department to comply with the requirements applicable to that program.

Modified Opinion on the Rehabilitation Services CFDA 84.126 Program

In our opinion, except for the noncompliance described in the Basis for Qualified Opinion paragraph, the Department complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on CFDA 84.126 Rehabilitation Services for the year ended June 30, 2015.

Unmodified Opinion on Each of the Other Major Federal Programs

In our opinion, the Department complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its other major federal programs identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs for the year ended June 30, 2015.

Report on Internal Control over Compliance

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

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

A *deficiency* in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness* in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2015-003 to be a material weakness.

A *significant deficiency* in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency's in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2014-007 and 2015-004 to be a significant deficiency's.

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

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



Albuquerque, New Mexico
November 20, 2015

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STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 Year Ended June 30, 2015

Section I – Summary of Auditor’s Results

Financial Statements

Type of auditor’s report issued: Unmodified, disclaimer on multiple aggregate discretely presented component units

Internal control over financial reporting:

- Material weakness(es) identified? Yes No
- Significant deficiency(ies) identified? Yes None reported

Noncompliance material to financial statements Noted?

Yes No

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? Yes No
- Significant deficiency(ies) identified? Yes None reported

Type of Auditor’s Report issued on compliance for major programs:

Modified

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133?

Yes No

Identification of Major Programs

<i>CFDA Numbers</i>	<i>Name of Federal Program or Cluster</i>
10.553/10.555	Child Nutrition Cluster
84.010A	Title I Grants to Local Educational Agencies
84.287	21 st Century Community Learning Centers
84.412	Race to the Top – Early Learning Challenge
84.048	Carl D. Perkins
84.126A	Rehabilitation Services
96.001	Social Security – Disability Insurance

Dollar threshold used to distinguish between type A and type B programs:

\$3,000,000

Auditee qualified as low-risk auditee?

Yes No

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2015

Section II – Findings – Financial Statement Audit

The State of New Mexico Public Education Department is made up of two distinct appropriated entities and 59 state authorized chartered schools: the Public Education Department and the Division of Vocational Rehabilitation, and the various State authorized charter schools.

PUBLIC EDUCATION DEPARTMENT FINDINGS

2013-003 Improve Other IT General Controls (Other Matter and Non Compliance)

Condition: During our review of IT security controls, we noted the following:

- HR department is not timely in providing termination forms to the IT Department, we noted two instances during the current FY15 audit where employees were terminated, however there access to SHARE was not locked out.
- PED does not have an offsite storage location for backup data.
- PED has been using an outdated/obsolete version of SQL Server to maintain their database.

During our testwork we noted the Department has implemented procedures to ensure passwords for all employees expire. Also, the Department is working with HR to ensure they are notified immediately of any terminated employees to ensure they can lock the accounts. Additionally, per discussion with the PED CIO, the Department is currently in the process of having an offsite back up tape, however due to lack of funding and training they were unable to implement this process in FY 15. Furthermore, we noted during our fieldwork that the Department has built the infrastructure for the upgraded SQL Server; however, the data has not yet been converted.

Criteria: Per State of NM Statewide Guideline “Enterprise IT Security Policy”, S-GUIDE00.003, “the State of New Mexico shall securely and economically protect its business functions including public access to appropriate information and resources, while maintaining compliance with legal requirements established by existing Federal and State statutes pertaining to confidentiality, privacy, accessibility, availability, and integrity.

Effect: The deficiencies identified decrease the overall network security and are considered area that can be exploited by a potential hacker.

Cause: This has been a practice within the Department for the past several years.

Recommendation: We recommend the following:

- HR Department should provide termination forms in a timely manner to ensure that access for terminated employees is removed on a timely basis.
- Computer files should be backed up at least weekly, be properly labeled, and stored off premises in a fireproof vault to ensure safe storage of computer information.
- Upgrade to most recent version of SQL Server to maintain database.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2015**

PUBLIC EDUCATION DEPARTMENT FINDINGS (Continued)

2013-003 Improve Other IT General Controls (Other Matter and Non Compliance)(Continued)

Management's Response: Management agrees with this finding and has already begun work to ensure they are addressed.

- As noted in the auditor comments, the PED is already working with the human resources bureau and the IT division to ensure that during out processing the IT division is notified of the termination. The actual process is already in place since employees are required to turn-in their key cards, identification cards and other PED items. The process is being formalized so there is a sign-off line on the out processing sheet to indicate that IT was informed.
- With regard to not storing back-up data in an off-site location, management agrees with this portion of the finding. The PED is already working with the Department of Information Technology (DoIT) to take advantage of the Tivoli Data Storage Manager and store back-up data at DoIT. This should occur in the first quarter of 2015.
- As to PED using an outdated or obsolete version of SQL Server to maintain its data base, management agrees with this portion of the finding. The PED has already procured and installed the latest version of SQL Server on its new servers. The process is in the setup phase and is undergoing testing. This will be completed and all data transferred before December 31, 2015.

2015-001 Financial Close and Reporting – Reconciliation of Funds (Material Weakness)

Condition: During our testwork over the financial close and reporting process it was noted that the Department has not implemented an effective financial close and reporting process for the year ended June 30, 2015. We noted the following items:

- During our testwork over revenue and expenditures, we noted the following funds were misstated and required the adjustments as follows:
 - Fund 89200, *STB Capital Outlay*, expenditures were materially understated in the amount of \$21,105,274.
 - Fund 63400, *Public School Capital Improvement*, revenues were understated in the amount of \$101,379.
- During our testwork related to the Agency fund, fund 57300, we noted the Department failed to accrue a material inter-fund payable to the Special Projects fund 79000 in the amount of \$2,000,000 for money expended related to emergency supplemental support appropriated from fund 57300 through the General Appropriations Act, Laws of 2014.
- During our testwork related to the emergency supplemental support appropriated from Agency fund 57300, we noted the Department over reverted \$2,280,780 from the Special Projects fund 79000 to the State General Fund.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2015**

PUBLIC EDUCATION DEPARTMENT FINDINGS (Continued)

2015-001 Financial Close and Reporting – Reconciliation of Funds (Material Weakness) (Continued)

Criteria: The Manual of Accounting Practices requires that all state agencies “perform monthly reconciliations” and “Maintain accounts and information as necessary to show the sources of state revenues and the purpose for which expenditures are made and provide proper accounting control to protect state finances”. Additionally, Section 6-5-2, NMSA 1978 states that “State agencies shall comply with the Model Accounting Practices established by the Financial Control Division of the Department of Finance and Administration and the administrative head of each agency shall ensure that the Model Accounting Practices are followed.”

Effect: The deficiencies in internal controls at the Department can cause an increased risk of errors and inaccurate or incomplete financial reporting.

Cause: The Department posted the vouchers at the time the receivable was accrued. However, the Department of Finance and Administration (DFA) required the Department to remove the vouchers as DFA believed the Department did not have adequate budget. The Department then provided DFA documentation to show that they did in fact have adequate budget. DFA agreed, however, they did not allow the Department to accrue the expenditures in FY 15 and required them to be posted in FY 16.

Recommendation: We recommend that the Department continue to develop policies and procedures to outline the requirements, timeliness and responsibilities over the financial close and reporting process, including reconciling all balances and ensure all activity pertaining to the fiscal year is captured in the correct fiscal year for financial reporting purposes.

Management’s Response: Management concurs with the technical nature of this finding but notes the cause is due to circumstances not within the control of the agency. As noted in the auditor’s comment on cause, PEDs accounting actions were implement properly, that vouchers were posted at the time the receivable was accrued and demonstrated that adequate budget did exist for payment to take place. The decision not to pay the vouchers was made outside of PED requiring the expenditures to be posted in FY16.

With regard to the over-reversion of funds, management concurs with this part of the finding. The funds that were reverted were those funds reauthorized in Laws 2015, Chapter 101, Section 5 (60) that extended the appropriation for teacher and school leader programs and supports for training, preparation, recruitment and retention through FY16. These funds were inadvertently reverted and will be returned to PED when the FY15 audit is complete. The CFO with the Deputy Secretary, Finance and Operations will annually review and certify all reversions prior to posting to ensure the reversions are true and accurate and account for any legislative action.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2015**

DIVISION OF VOCATIONAL REHABILITATION FINDINGS

2014-003 Improve IT General Controls (Significant Deficiency)

Condition: During our review of internal controls over IT, we noted the following:

- DVR does not have an offsite storage location for backup data.
- DVR does not have well-defined, written disaster recovery procedures.

The Division is working on implementing an offsite storage location and has hired a contractor to implement written disaster recovery procedures. However, these processes have not been completed in FY 2015.

Criteria: Per the State of New Mexico Statewide Guideline “Enterprise IT Security Policy”, S-GUIDE-00.003, “the State of New Mexico shall securely and economically protect its business functions including public access to appropriate information and resources, while maintaining compliance with legal requirements established by existing Federal and State statutes pertaining to confidentiality privacy, accessibility, availability, and integrity”.

Effect: The deficiencies identified decrease the overall network security and are considered areas that can be exploited by a potential hacker.

Cause: This has been a practice within the Division for the past several years.

Recommendation: We recommend the following:

- Computer files should be backed up at least weekly, be properly labeled, and stored off premises in a fireproof vault to ensure safe storage of computer information.
- Management should develop a disaster recovery plan that includes, but is not limited to, the following matters:
 - Location of, and access to, off-site storage.
 - A listing of all data files that would have to be obtained from the off-site storage location.
 - Identification of a backup location (name and telephone number) with similar or compatible equipment for emergency processing.
 - Responsibilities of various personnel.
 - Priority of critical applications and reporting requirements during the emergency period.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2015**

DIVISION OF VOCATIONAL REHABILITATION FINDINGS (Continued)

2014-003 Improve IT General Controls (Significant Deficiency)(Continued)

Management's Response: Management concurs with this finding. DVR has finalized quotes and submitted the proposed purchase to the Procurement Unit for processing. Currently, DVR conducts data backups nightly with a full area run Friday night into Saturday morning. This has been a standard practice that DVR has implemented for a number of years. It is anticipated that off-site data backup storage will be complete January 31, 2016.

Management concurs with the second part of the finding regarding written disaster recovery procedures. The IT staff has consulted with an IT security consultant and is currently developing a disaster recovery plan. It is anticipated to be completed and in place no later than January 31, 2016.

2014-004 Internal Controls Over Cash Disbursements (Other Matter)

Condition: During our testing of internal controls over the cash disbursement process, it was noted that the Division did not have policies and procedures in place until the end of FY 2015 to ensure that goods or services were received/performed prior to payment being made.

Criteria: 6-5-2C NMSA 1978 states that an entity shall implement internal controls designed to prevent accounting errors and violations of state and federal law and rules related to financial matters. In addition, state agencies shall implement controls to prevent the submission of processing documents to the division that contain errors or that are for a purpose not authorized by law.

Effect: Lack of documentation related to disbursements raises the risk for improper use of public monies or increases risk for erroneously processed transactions.

Cause: Division did not ensure that the Division's policies and procedures were being followed.

Recommendation: We recommend that the Division evaluate its current procedures related to disbursements and ensure that disbursements are made subsequent to verification of the goods/services being received/performed.

Management's Response: Management concurs with this finding but notes that actions resolving the condition have already been implemented. In May of 2015, DVR instituted a revised process for receiving and accepting goods and services. The process requires DVR staff who are responsible for receiving and accepting goods and services to certify such receipt and acceptance via signature and date on a uniform invoice stamp that has been implemented statewide and which is required by the DVR Accounts Payable Unit on all invoices. If the staff member preparing payment is not the person who directly received the goods or services, that staff makes the certification only after receiving the certification from the staff person who directly received the goods or services. The Accounts Payable Unit supervisor and the DVR Chief Financial Officer are responsible for ensuring compliance with the invoice certification policy.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2015

DIVISION OF VOCATIONAL REHABILITATION FINDINGS (Continued)

2015-002 Financial Close and Reporting – Accounts Receivable Reconciliation (Material Weakness)

Condition: During our testwork over accounts receivable for the *DVR General Fund, SHARE fund 50000*, we noted the Division did not have adequate supporting detail for 5 of the 9 draws that constitutes \$888,162 of the \$1,398,862 balance reported as due from federal government per the Balance Sheet – Governmental Funds as of June 30, 2015. The Division had to recreate the supporting detail during the audit to ensure the reconciled accounts receivable balance was materially correct at June 30, 2015. The Division was unable to reconcile \$38,755 of the balance. It does not appear as though the Division has adequate controls in place over draws as supporting detail is not maintained by the Division and is not easily accessible.

Criteria: The Manual of Accounting Practices requires that all state agencies “perform monthly reconciliations” and “Maintain accounts and information as necessary to show the sources of state revenues and the purpose for which expenditures are made and provide proper accounting control to protect state finances”. Additionally, Section 6-5-2, NMSA 1978 states that “State agencies shall comply with the Model Accounting Practices established by the Financial Control Division of the Department of Finance and Administration and the administrative head of each agency shall ensure that the Model Accounting Practices are followed.”

Effect: Without adequate supporting documentation there is an increased risk of errors or fraud going undetected. Additionally, there is an increased risk the Division could draw down more than was expended. Furthermore, there is an increased risk of misstatement on the financial statements.

Cause: The Division implemented a new process for drawing federal funds and reconciling projects in FY 15. The Division failed to develop well-established policies and procedures related to the new process.

Recommendation: We recommend that the Division continue to develop policies and procedures to outline the requirements, timeliness and responsibilities over the financial close and reporting process. The Division should also ensure all supporting documents are maintained and readily available to support the balances at June 30, 2015.

Management’s Response: Management concurs with the nature of this finding but disagrees with the comment that the division does not appear to have adequate controls in place over draws as supporting detail is not maintained by the division. While DVR did have to recreate the supporting detail, the original documents were ultimately produced from Division files. DVR was able to reconcile the balance, and presented reconciled backup documentation per the auditor’s request prior to the close of the audit that demonstrated that revenue and expenditure amounts under the FFY15 Vocational Rehabilitation grant and FFY15 Social Security Administration grant reconciled with the cash amount drawn for the period ending June 30, 2015. For FY16, DVR will ensure supporting detail is maintained by the Division for all federal grants cash draws, and require two approval signatures on all Grant Draw Worksheets. The PED will provide technical support to DVR on proper document storage and control as well file management to ensure uniform processes are in place to properly document all draws, and perform

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2015

DIVISION OF VOCATIONAL REHABILITATION FINDINGS (Continued)

2015-002 Financial Close and Reporting – Accounts Receivable Reconciliation (Material Weakness)(Continued)

regular reconciliations of federal cash account balances. The Chief Financial Officer is responsible for ensuring that accounts receivable balances are accurately posted and collected timely.

Section III – Findings and Questioned Costs – Major Federal Award Programs Audit

DIVISION OF VOCATIONAL REHABILITATION FINDINGS

2014-007 Eligibility (Significant Deficiency, Non-Compliance)

Federal Program Information:

<i>Funding Agency:</i>	<i>U.S. Department of Education</i>
<i>Title:</i>	<i>Rehabilitation Services – Vocational Rehabilitation Grants to States</i>
<i>CFDA Number:</i>	<i>84.126</i>
<i>Award year and number:</i>	<i>2015, H126A150045</i> <i>2014, H126A140045</i>

Condition: During our testing of eligibility controls and compliance it was noted that for 3 out of the 40 individuals tested the eligibility determination was not properly approved within the required 60 days.

Per our discussions with Division Management, in FY 16 the Division has implemented procedures to ensure eligibly determinations are signed within the required 60-day timeframe.

Criteria: 29 USC 722(a)(6), the designated State unit shall determine whether an individual is eligible for vocational rehabilitation services under this subchapter within a reasonable period of time, not to exceed 60 days, after the individual has submitted an application for the services unless – (A) exceptional and unforeseen circumstances beyond the control of the designated State unit preclude making an eligibility determination within 60 days and the designated State unit and the individual agree to a specific extension of time; or (B) the designated State unit is exploring an individual’s abilities, capabilities, and capacity to perform in work situations under paragraph (2)(B).

Questioned Costs: None.

Effect: There is an increased likelihood that an ineligible individual could receive benefits without them being detected. Eligible individuals may not receive vocational rehabilitation benefits timely and in accordance with program requirements. Additionally, this could have a future impact on funding as the Federal government may reduce the funding for the New Mexico Rehabilitation Services program, which may have a significant effect on the operations of the program.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2015

DIVISION OF VOCATIONAL REHABILITATION FINDINGS (Continued)

2014-007 Eligibility (Significant Deficiency, Non-Compliance) (Continued)

Cause: There was inconsistent oversight and review of eligibility determinations performed at the field office locations.

Recommendation: We recommend that the Division implement current controls with additional oversight from the Administrative Office or design and deploy revised procedures that allow for proper oversight between positions at the field offices. We also recommend that the Division establish monitoring procedures to ensure that eligibility determinations are completed timely in accordance with program requirements.

Management's Response: Management concurs with this finding. The condition causing this finding is related to a series of departures in FY13 and FY14 resulting in a 35 percent vacancy rate at the division. Since that time, DVR has reduced its vacancy rate to about 14 percent and now has sufficient personnel on staff to address the finding as well as sufficient staff to cross check employee work. DVR will implement a professional training module to ensure all staff are properly informed of records retention requirements along with implementing Field Operations Director-level oversight of Program Managers' reviews of the work of Vocational Rehabilitation Counselors (VRCs).

As part of the resolution of this audit finding, the Rehabilitation Services Deputy Director will oversee a complete caseload file review by Program Managers and VRCs by January 29, 2016. If deficiencies are found during this review period, the deficiency will be corrected by the VRC and reviewed and approved by the Program Manager of the area. Program Managers also will be required to review all pending eligibility determinations that are approaching the 60-day time limit and ensure that the deadline is met or an extension filed, and signed by the client as required.

2015-003 Level of Effort (Material Weakness, Material Non-Compliance)

Federal Program Information:

<i>Funding Agency:</i>	<i>U.S. Department of Education</i>
<i>Title:</i>	<i>Rehabilitation Services – Vocational Rehabilitation Grants to States</i>
<i>CFDA Number:</i>	<i>84.126</i>
<i>Award year and number:</i>	<i>2014, H126A140045</i>

Condition: During our testwork we noted the Division had a maintenance of effort (MOE) deficit of \$2,753,324 related to federal fiscal year (FFY) 2014 which ended on 9/30/2014.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2015**

DIVISION OF VOCATIONAL REHABILITATION FINDINGS (Continued)

2015-003 Level of Effort (Material Weakness, Material Non-Compliance) (Continued)

Criteria: Section 111 (a)(2)(B) of the Rehabilitation Act of 1973 (Rehabilitation Act), as amended by the Workforce Innovation and Opportunity Act (WIAO) (P.L. 113-128) (29 USC 731(a)(2)(B)) and enacted on July 22, 2014, requires amount payable to a State for a fiscal year to be reduced by the amount by which expenditures from non-Federal sources under the State Plan for any previous fiscal year are less than the total of such expenditures for the fiscal year two years prior to that previous fiscal year.

Questioned Costs: None.

Effect: The FFY 2015 grant award was reduced by \$2,753,324.

Cause: The Division incorrectly reported \$1,892,801 of non-federal expenditures incurred in FFY 12 on the FFY 2011 SF-425 causing an increase of the required MOE for FFY 14. Additionally, the Division failed to allocate enough non-federal expenditures in FFY 14.

Recommendation: We recommend that the Division implement controls with additional oversight or design and implement revised procedures that allow for proper monitoring to ensure that SF-425 reports accurately reflect non-federal expenditures allocated to the award for the correct award period. Additionally, the Division should implement controls to ensure expenditures from non-federal sources are more than total expenditures for the fiscal year two years prior to that previous fiscal year.

Management's Response: Management concurs with this finding but notes a timing issue. The maintenance of effort (MOE) penalty levied against DVR was for the Federal Fiscal Year 2014 (FFY14) Vocational Rehabilitation federal grant award. Although the penalty was against FFY14 award, the actual reduction took place in FY15. This resulted in a finding for both FY14 and FY15 against the same action. The MOE issue was the result of DVR not booking its general fund match in the correct time frame resulting in the MOE shortfall. For FY15, DVR has restructured its financial systems to align with SHARE and is now able to track and apply the match in the correct time frame. For FY16, DVR will be able to take advantage of its full federal grant with no MOE issues to address. The Administrative Services Unit Deputy Director is responsible for ensuring that reporting is correct and that DVR maintains its General Fund match expenditure levels, which are based upon annual appropriations from the Legislature.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2015

DIVISION OF VOCATIONAL REHABILITATION FINDINGS (Continued)

2015-004 Special Tests and Provisions (Significant Deficiency, Non-Compliance)

Federal Program Information:

<i>Funding Agency:</i>	<i>U.S. Department of Education</i>
<i>Title:</i>	<i>Rehabilitation Services – Vocational Rehabilitation Grants to States</i>
<i>CFDA Number:</i>	<i>84.126</i>
<i>Award year and number:</i>	<i>2015, H126A150045</i> <i>2014, H126A140045</i>

Condition: During our testing of Individual Plan for Employment (IPE) controls and compliance it was noted that for 4 out of the 40 individuals tested, the IPE was not done within in 90 days after the date of the determination of eligibility by the Division. Furthermore, we noted an extension was not completed for these individuals.

Criteria: When an IPE is required for the provision of VR services under Section 103(a) of the Act, it must be done as soon as possible, but not later than 90 days after the date of the determination of eligibility by the State VR agency, unless the State VR agency and the eligible individual agree to an extension of that deadline to a specific date by which the IPE must be completed (Section 102(b)(3)(F) of the Act (29 USC 722(b)(3)(F))).

Questioned Costs: None.

Effect: Eligible individuals may not receive vocational rehabilitation benefits timely and in accordance with program requirements. Additionally, this could have a future impact on funding as the Federal government may reduce the funding for the New Mexico Rehabilitation Services program, which may have a significant effect on the operations of the program.

Cause: There was inconsistent oversight and review of IPEs performed at the field office locations.

Recommendation: We recommend that the Division implement current controls with additional oversight from the Administrative Office or design and deploy revised procedures that allow for proper oversight between positions at the field offices. We also recommend that the Division establish monitoring procedures to ensure that IPEs are completed timely in accordance with program requirements.

Management's Response: Management concurs with this finding. The condition causing this finding is related to a series of departures in FY13 and FY14 resulting in a 35 percent vacancy rate at the division. Since that time, DVR has reduced its vacancy rate to about 14 percent and now has sufficient personnel on staff to address the finding as well as sufficient staff to cross check employee work. DVR will

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DIVISION OF VOCATIONAL REHABILITATION FINDINGS (Continued)

2015-004 Special Tests and Provisions (Significant Deficiency, Non-Compliance) (Continued)

implement a professional training module to ensure all staff are properly informed of records retention requirements. The Rehabilitation Services Deputy Director will oversee a complete caseload file review by Program Managers and VRCs by January 29, 2016. If deficiencies are found during this review period, the deficiency will be corrected by the VRC and reviewed and approved by the Program Manager of the area. Program Managers also will be required to review all pending IPEs that are approaching the 90-day time limit and ensure that the deadline is met or an extension filed, and signed by the client as required.

Section IV – Other Findings, as Required by New Mexico State Statute, Section 12-6-5, NMSA 1978

PUBLIC EDUCATION DEPARTMENT FINDINGS

2013-005 Untimely Reversions (Non-Compliance)

Condition: During our testing of reversions we noted the Department failed to revert \$197,740 timely across four funds related to fiscal year 2015. We noted these balances were unspent refunds received from different Schools and the Department failed to include these balances in the total FY 15 reversion.

During our testwork, we noted the Department did revert the unexpended balances appropriated directly to the Department for fiscal year 2015.

Criteria: Section 6-5-10(A) NMSA 1978 requires all unreserved, undesignated fund balances in reverting funds as of June 30 to be reverted to the New Mexico State General Fund by September 30 and subsequently adjusted within 45 days of the completion of the annual audit.

Effect: The Department is not in compliance with Section 6-5-10(A) NMSA 1978.

Cause: Management did not include the money returned from the Schools when calculating the reversion.

Recommendation: We recommend the Department establish procedures, controls, and monitoring to ensure timely calculation and submission of reversions to the New Mexico State General Fund.

Management's Response: Management agrees with this finding. During their annual audits, school districts identified funds that needed to be returned to PED. These funds were accounted for properly but were not included in the year end reversion. The Audit and Accounting Bureau will research all items deposited into account 234900 (Due to State General Fund) quarterly. The bureau will reclassify non-reverting amounts to the proper accounts and will transfer reverting amounts to the state general fund. The CFO will review the status of these activities quarterly to ensure accuracy and timeliness.

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Discretely Presented Component Unit Findings

ACADEMY OF TRADES AND TECHNOLOGY FOUNDATION

2012-002 Internal Control Structure – (Material Weakness)

Condition: During our fieldwork we noted:

- The receivable associated with the lease purchase agreement with the School was not properly recorded by the Foundation. Payments associated with the mortgage payable are not being properly recorded by the Foundation on its general ledger. The Foundation continued to hold capital assets on their books.
- There is no documentation that the bank reconciliations were being reviewed.
- The Foundation does not have adequate segregation of duties over the processing of invoices and cash receipts. The Foundation's President processes all accounting transactions without any review or approval of any other individuals.
- There is a general lack of accounting records at the Foundation.

Criteria: Per sound accounting standards an entity shall establish and maintain an internal control structure to provide management with reasonable assurance that assets are safe-guarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with GAAP. The internal control structure shall include written administrative controls (rules, procedures and practices, and policies that affect the organization) and accounting controls (activity cycles, financial statement captions, accounting applications including computer systems) that are in accordance with GAAP. Additionally, good internal controls require that an organizational structure be in place which separates incompatible activities to preclude control by any individual. Bank reconciliations should be reviewed and approved by someone other than the preparer.

Effect: The internal financial statements were not properly stated. The potential for misappropriation of funds is present when one person is responsible for all phases of an accounting process.

Cause: The foundation does not have any staff limiting the processes/transactions that are performed by the Treasurer.

Recommendation: We recommend the Foundation develop and implement internal controls to properly record all transactions that occur during the year. We recommend that the Foundation fill the empty places on the Board so that accounting duties could be separated.

Management's Response: Management will establish and maintain an internal control structure that will provide management with reasonable assurance that assets are safe-guarded against loss from unauthorized use or disposition.

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ACADEMY OF TRADES AND TECHNOLOGY FOUNDATION (CONTINUED)

2012-002 Internal Control Structure – (Material Weakness) (Continued)

Management anticipates this finding will be cleared in FY2016 as the foundation was closed and a new foundation was established in its place. Specifically, effective September 23, 2015 ATT2551, Inc. (former foundation) was dissolved, and transferred 2551 Karsten (property location) to Friends of ATTCHS, Inc. (new foundation).

2013-001 Composition of Board - (Compliance)

Condition: The Foundation does not have the required members on their Board.

Criteria: Per the Foundation bylaws, the Board shall consist of no less than three members.

Effect: The Foundation does not have proper oversight, which could result in errors going undetected.

Cause: Management made several attempts to solicit the required members.

Recommendation: We recommend that the Foundation ensure that the Board has the necessary members.

Management's Response: Management will assure that the foundation board consist of no less than three board members, the board will also include non-voting members from the Governing Council, and the school. Management will complete this by December 31st.

ACADEMY OF TRADES AND TECHNOLOGY

2015-001 Purchase Orders – (Significant Deficiency)

Condition: During our testing of sixty cash disbursements we noted the following:

- There was one instance (\$798.77) in which the Purchase Order was not attached.
- A purchase order in the amount of \$817.00 did not have the Principal's signature on it.

Criteria: Section NMAC 6.20.2.17(A), requires 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 et seq., NMSA 1978. An internal control structure over purchasing shall be established and maintained to assure compliance with school policy, and state and federal regulations. Also, the New Mexico Manual of Procedures for Public School Accounting and Budgeting, Supplement 13 – Purchasing, states that “the preparation and execution of a duly authorized purchase order must precede the placement of any order for goods, services or construction.”

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ACADEMY OF TRADES AND TECHNOLOGY (CONTINUED)

2015-001 Purchase Orders – (Significant Deficiency)

Effect: Not being in compliance with state purchasing requirements places the School at risk for fraud or misuse of public funds.

Cause: School personnel did not follow established procurement policies of the School.

Recommendation: All School personnel should be reminded that initiation of a purchase order is not sufficient for ordering; that an approved Purchase Order is required per School and State guidelines.

Management's Response: Management will assure that all purchase requisitions have an approved purchase order before placement of orders for goods, services, or construction cost.

Management will hold, semi-annually, policy and procedures training for all staff. Trainings will focus on the policy and procedures of requesting a purchase order, as required per School and State Policies. Training will be completed by December 31st.

ACE LEADERSHIP HIGH SCHOOL

2015-001 Fund Balance Journal Entries (Other Matter)

Condition: During our fieldwork we noted an entry for \$5,401 to fund balance for fund 21000 and another entry of \$50,000 to fund balance for fund 29114. These entries were reversed as part of the audit to make fund balance roll forward from the prior year financial statements.

Criteria: Per NMAC 6.20.2.11 (A) Internal Control Structure Standards, "every school district shall establish and maintain an internal control structure to provide management with reasonable assurance that assets are safe-guarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with GAAP. The internal control structure shall include written administrative controls (rules, procedures and practices, and policies that affect the organization) and accounting controls (activity cycles, financial statement captions, accounting applications including computer systems) that are in accordance with GAAP."

Effect: The amounts reported to PED could be inaccurate and actual available funds may be improperly recorded, which could lead to funds being overspent and balances misstated in the financial statements.

Cause: Management's review of posting entries did not detect or prevent the posting errors.

Recommendation: We recommend the School review fund balances to ensure funds have proper ending balances and each fund is properly reconciled.

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ACE LEADERSHIP HIGH SCHOOL (CONTINUED)

2015-001 Fund Balance Journal Entries (Other Matter) (Continued)

Management's Response: Management reviewed the entries and consulted with the Finance Committee. After the review, it was determined the entries should be reversed and correcting entries should be posted, but the entries did not occur prior to the start of the audit field work. By December 31, 2015, the Business Manager and Finance Committee will develop internal controls to prevent this from happening in the future.

2015-002 Cash Reconciliations (Material Weakness)

Condition: The following items were noted during our testing of cash:

- At June 30, 2015 the general ledger reports a cash balance of \$677,712.81.
- At June 30, 2015 the bank reconciliation reports a cash balance of \$661,345.50.
- At June 30, 2015 the PED Cash Report shows a balance of \$658,529.99.

School personnel were unable to reconcile the variances noted above.

Criteria: According to 6.20.2.11 (B) (6), NMAC, "School districts shall conduct independent checks on performance and proper valuation of recorded amounts, such as clerical checks, reconciliations, comparisons of assets with recorded accountability, computer-programmed controls, management review of reports that summarize the detail of account balances, and user review of computer generated reports." The New Mexico Manual for Procedures for Public School Accounting and Budgeting Supplement 7 Cash Controls also requires that the reports sent to the New Mexico Public Education Department (PED) must agree to school district records.

Effect: The PED does not have an accurate accounting of the School's activity.

Cause: School personnel know there are variances, but have not been able to identify and correct all the variances. The posting of journal entries to fund balance (see Finding 2015-001 above) may also be a contributing factor.

Recommendation: We recommend that policies and procedures be implemented to ensure that bank accounts are properly reconciled on a monthly basis and that the quarterly PED cash reports reconcile to the general ledger.

Management's Response: Management agrees and has since identified and resolved the variances in the cash reconciliation. The school has sufficient policies and procedures in place to ensure bank accounts are being reconciled on a monthly basis. The Business Manager will post the necessary journal entries and ensure that all bank accounts and PED cash reports will reconcile to the general ledger by December 31, 2015.

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ACE LEADERSHIP HIGH SCHOOL (CONTINUED)

2015-003 Purchase Orders Subsequent to Invoice – (Significant Deficiency)

Condition: During our testing of sixty cash disbursements we noted there was one instance (\$1,356.23) in which the Purchase Order was prepared subsequent to the vendor’s invoice date.

Criteria: Section NMAC 6.20.2.17 (A), requires 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 et seq., NMSA 1978. An internal control structure over purchasing shall be established and maintained to assure compliance with school policy, and state and federal regulations. Also, the New Mexico Manual of Procedures for Public School Accounting and Budgeting, Supplement 13 – Purchasing, states that “the preparation and execution of a duly authorized purchase order must precede the placement of any order for goods, services or construction.”

Effect: Not being in compliance with state purchasing requirements places the School at risk for fraud or misuse of public funds.

Cause: School personnel did not follow established procurement policies of the School.

Recommendation: All School personnel should be reminded that initiation of a purchase order is not sufficient for ordering; that an approved Purchase Order is required per School and State guidelines.

Management’s Response: Management has sufficient existing school policies and internal controls in place to ensure compliance with the procurement code. This is one remote instance. School personnel will be reminded by the Business Manager of these policies by email and verbally by next staff meeting on December 2, 2015.

2015-004 Budgetary Condition – (Compliance)

Condition: ACE Leadership High School expended in excess of budget in the following fund and function:

Fund 31700 SB-9 Capital Improvements	
Capital Outlay	\$16,330

Criteria: Sound financial management and 6.20.2.9 (A) NMAC and 22-8-5 through 22- 8-12.2 NMSA 1978 require that budgets not be exceeded at the legal level of control. For school districts the function is the legal level of control.

Effect: The school is out of compliance with State Law and the control established by the use of budgets has been compromised.

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ACE LEADERSHIP HIGH SCHOOL (CONTINUED)

2015-004 Budgetary Condition – (Compliance) (Continued)

Cause: A budget adjustment request was never submitted to account for the additional expenditures incurred.

Recommendation: The School should establish a policy of budgetary review at year-end and make the necessary budgetary adjustments.

Management’s Response: The school has procedures in place to review the budget at year end to make sure all BARs are submitted in a timely manner. The Business Manager will be responsible for the review of the budgets. The final budget adjustment request will be completed prior to PED required deadline.

ALBUQUERQUE INSTITUTE FOR MATHEMATICS & SCIENCE

2015-001 Expenditures Exceed Budget (Other Matter)

Condition: The Charter has expenditure functions where actual expenditures exceeded budgetary authority:

<u>Fund</u>	<u>Excess of Expenditures over Appropriations</u>
HB 33 Capital Improvements (31600)	
Support Services – General Administration	\$ (18)

Criteria: According to 6.20.2.9 NMAC, budgetary control shall be at the function level. Over-expenditure of a function shall not be allowed.

Effect: The Charter is non-compliant with State Law.

Cause: A budget adjustment request was not submitted to account for additional expenditures incurred for HB-33 Capital Improvements.

Recommendation: We recommend that the Albuquerque Institute for Mathematics & Science should establish a policy of budgetary review at year-end to make the necessary budgetary adjustments.

Management’s Response: The school does review the budget monthly; however, since the property taxes received were higher than estimated, the county tax collection fee was higher as well. In the future, the school will project at a slightly higher rate to prevent future occurrence.

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ALBUQUERQUE SCHOOL OF EXCELLENCE

2015-001 Internal Control Structure (Significant Deficiency, Noncompliance in Accordance with the New Mexico State Audit Rule)

Condition: During our internal control testwork over a sample of 25 cash disbursements we found three instances where a purchase order was not created for an expenditure.

Criteria: NMAC 6.20.2.11 (A) Internal Control Structure Standards, "every school district shall establish and maintain an internal control structure to provide management with reasonable assurance that assets are safe-guarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with GAAP. The internal control structure shall include written administrative controls (rules, procedures and practices, and polices that affect the organization) and accounting controls (activity cycles, financial statement captions, accounting applications including computer systems) that are in accordance with GAAP."

Effect: Reimbursements could be made without proper approval and expenditures could be reported inaccurately or misclassified in the improper fund. This could result in funds being overspent and balances misstated.

Cause: The School did not follow their policies and procedures.

Recommendation: Ensure a purchase order is prepared and approved for all applicable expenditures. Once completed, all purchase orders should be maintained.

Management's Response: The Albuquerque School of Excellence has worked hard to develop financial policies and procedures that are both compliant and safe guard the school from financial mismanagement. Management will work with the school administration and all staff to emphasize the procedures established and ensure that all purchases have an approved purchase order before goods or services are not only received but ordered. The business manager and procurement officer will ensure correct polices are implemented and expect to have them in place by January 2016.

2015-002 Budget Adjustment Requests (Noncompliance in Accordance with the New Mexico State Audit Rule)

Condition: One of three budget adjustment requests (BARs) reviewed was not included in the Governing Council meeting minutes as having been discussed and approved prior to obtaining PED approval.

Criteria: As stated in the School's policies and procedures, the administration, in consultation with the business manager, shall regularly report to the Governing Council regarding the extent to which actual revenues and actual expenditures in the major line items (i.e. those items designated by the Public Education Department as requiring Budget Adjustment Requests for any changes) vary from budgeted amounts reflected in the final approved budget. The administration shall present any recommended

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ALBUQUERQUE SCHOOL OF EXCELLENCE (CONTINUED)

2015-002 Budget Adjustment Requests (Noncompliance in Accordance with the New Mexico State Audit Rule) (Continued)

budget adjustment requests to the Governing Council prior to submission to the Public Education Department. No changes to the major budget line items in the final approved budget shall be modified without the approval of the Governing Council.

Effect: When BAR's are not first discussed with the Governing Council, this prevents the Governing Council from having accurate information regarding the budget in order to make decisions. The School is not in compliance with their policies and procedures.

Cause: The School did not follow internal policies and procedures. Alternatively, Governing Council minutes were not complete to include details of all items discussed and approved.

Recommendation: Ensure the Governing Council approves all BARs. In addition, we recommend that the minutes include necessary detailed information pertaining to all items discussed.

Management's Response: The School will review examples of other school districts approved board minutes in an effort to ensure that The Albuquerque School of Excellence's Governing Council minutes provide more than adequate information for all stake holders. The business manager and governing council will ensure internal controls are implemented by January 2016.

2015-003 Cash Receipts (Significant Deficiency, Noncompliance in Accordance with the New Mexico State Audit Rule)

Condition: During our internal control testwork over a sample of ten cash receipts we noted three receipts totaling \$3,557 where supporting documentation for bank deposits could not be located. We were unable to determine if these receipts were accurately recorded, reconciled, and deposited within 24 hours. Additionally, we noted four receipts totaling \$1,069 that were not deposited in the bank within 24 hours.

Criteria: Per NMAC 6.20.2.14 A. school districts shall establish and maintain a cash management program to safeguard cash and provide prompt and accurate reporting that adheres to cash management requirements of the office of management and budget (OMB) Circular A-102, and applicable state and federal laws and regulations, and C. Money received and receipted shall be deposited in the bank within 24 hours or one banking day.

Effect: The School is not in compliance with NMAC 6.20.2.14.

Cause: The School was unable to locate documentation for cash receipts from April to June of 2015 and internal controls were not in place to ensure receipts were deposited within 24 hours.

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ALBUQUERQUE SCHOOL OF EXCELLENCE (CONTINUED)

2015-003 Cash Receipts (Significant Deficiency, Noncompliance in Accordance with the New Mexico State Audit Rule) (Continued)

Recommendation: Ensure source documentation related to all cash receipts is maintained and ensure that receipts are deposited in the bank within 24 hours.

Management's Response: The Albuquerque School of Excellence has worked hard to establish and maintain a set of internal controls and policies and procedures. The School identified inconsistencies with personnel following the defined policies and procedures, and has made applicable changes to the personnel for the 2015-2016 school year. The School has reviewed the policies and procedures with the incoming staff and is confident that the areas of policy application and records maintenance will be greatly improved. The business manager and principal will ensure the policies are implemented by August 2015.

2015-004 Budgetary Conditions (Noncompliance in Accordance with the New Mexico State Audit Rule)

Condition: The School did not properly budget prior year cash carry-over in the SB-9 Capital Improvements Fund 31700. Prior year cash carry-over was \$89,073 which was insufficient to cover the budgeted deficit of \$93,734.

Criteria: Per NMAC 6.20.2.9 (A) every school district shall follow budget requirements stated in Sections 22-8-5 through 22-8-12.2, NMSA 1978, and procedures of the department in preparing, submitting, maintaining and reporting budgetary information.

Effect: The School is out of compliance with New Mexico state statute and the controls established by the use of budgets has been compromised, which would result in deficit fund balances and unnecessary usage of funds to cover the budgeted over expenditures.

Cause: The budget adjustment request did not consider prior year carry-over amounts for the SB-9 Capital Improvements fund and a budget adjustment request was not prepared and submitted to PED.

Recommendation: We recommend that the School establish a policy where the budget is reviewed at the end of each quarter and give consideration to deficits and ensure that designated cash is available to cover such overages.

Management's Response: Fiscal year (FY) 2014 marked the first year that the School received Senate Bill 9 Ad Valorem revenues. FY2015 was the first year the School had a cash carryover in capital funds. Processes during the course of a normal year hold that projected cash carryover amounts are "trued up" with the receipt of draft financials. Being that draft financials weren't provided until the end of the fiscal year due to the initial external auditor backing out of the FY14 audit, the School used its own internal financial statements to true up the cash carryover amount for the Operational fund. The SB-9 Fund

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ALBUQUERQUE SCHOOL OF EXCELLENCE (CONTINUED)

2015-004 Budgetary Conditions (Noncompliance in Accordance with the New Mexico State Audit Rule)

31700 was not included in this abnormal process. Management will do a final review of all funds prior to the end of each fiscal year regardless of the status of the audit to ensure that all funds have correct budget authority. It should be noted that even though the School had budget authority to possibly expend more than what was available in cash, the School is required to get permission to obligate funds to the PED before even issuing a purchase order for this fund. Not only are there additional steps designed to prohibit over spending funds, it should be noted that the School did not have any expenditures what so ever from this fund in FY15. The business manager will implement the proper controls and expect to have these implemented by November 2015.

ALBUQUERQUE SIGN LANGUAGE ACADEMY

2014-001 Travel and Per-Diem (Noncompliance in Accordance with the New Mexico State Audit Rule)

Condition: During fiscal year 2015, the School used the Internal Revenue Service (IRS) standard rate for mileage reimbursements. We reviewed three mileage reimbursements for travel in a privately owned vehicle and all three reimbursements were paid at the IRS standard rate.

Criteria: NMAC 2.42.2.11(b)(1) states that public officers and employees of state agencies shall be reimbursed for mileage accrued in the use of a private automobile at 80% of the IRS standard mileage rate set January 1 of the previous year for each mile traveled in a privately owned vehicle.

Effect: The School is not in compliance with the Per Diem and Mileage Act and is overpaying employees for travel on behalf of the School.

Cause: The School did not have internal controls in place to ensure mileage reimbursements were paid in accordance with the New Mexico Per Diem and Mileage Act.

Auditors' Recommendation: The School should follow the Per Diem and Mileage Act for local governments when paying for mileage reimbursements.

Management's Response: The School has changed its mileage reimbursement policy in accordance with the prior year audit. The School has been in compliance with the Per Diem and Mileage Act upon the Board approved policy update.

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ALBUQUERQUE SIGN LANGUAGE ACADEMY (CONTINUED)

2014-002 Staff Qualifications and Payroll (Noncompliance in Accordance with the New Mexico State Audit Rule)

Condition: During internal control testwork over a sample of 25 payroll transactions we noted a teacher that did not have a license from the Public Education Department (PED). We attempted to locate this individual's license on the PED website and were unsuccessful. We also noted three individuals employed as "Language Facilitators" whose responsibilities, as per the employment contract include, "assuming the responsibility for assisting with the daily planning and implementation of the School's educational programs." These three individuals did not have an educational assistant's license.

We also noted three employees for which Retiree Health Care (RHC) withholdings and contributions should have been made but were not.

Criteria: NMAC 6.61.2 through 6.61.12 (Chapter 61) outlines the various licensure requirements for persons seeking an instructor's license. NMAC 6.63.9 establishes three levels of licensure for educational assistants and governs the licensure requirements for persons seeking level 1, level 2, and level 3 educational assistant licensure.

All employees who are entitled to ERB pension benefits must contribute to RHC.

Effect: The School is not in compliance with applicable requirements of Chapter 61 for the instructor noted above and is not in compliance with NMAC 6.63.9 for the educational assistants noted above. The School is not in compliance with RHC requirements.

Cause: The School did not have internal controls in place to ensure all required documentation was obtained prior to hiring the instructor and educational assistants noted above and a process is not in place that would provide periodic reviews of employee personnel files to ensure they are complete. Controls are not in place to ensure all required employees and the School are contributing to RHC, where required.

Auditors' Recommendation: Develop and implement internal control procedures to ensure all required documents are obtained prior to hiring and that will ensure RHC is properly withheld and contributed each month.

Management's Response: The School's business office will not allow new employees to begin their employment until appropriate licensure, background information and other required documents are verified and in place. Also, the School's business office will perform a monthly RHC reconciliation to confirm that all required employees are contributing.

**STATE OF NEW MEXICO
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ALMA D'ARTE CHARTER HIGH SCHOOL

2014-001 Timely Deposits - (Non-Compliance in Accordance with the New Mexico State Audit Rule)

Condition: During our cash receipts testing we noted that deposits were not being made within twenty-four (24) hours after being received. Of our sample of 12, one receipt totaling \$1,600 was not deposited within 24 hours. There were an additional 4 receipts totaling \$3,996.24 that were missing documentation and it could not be determined if they were deposited timely. No progress has been made in the current year.

Criteria: Per NMAC 6.20.2.14.C states that "money received and receipted shall be deposited in the bank within twenty-four (24) hours or one banking day.

Effect: The School is not in compliance with State statute and has exposed itself to possible misappropriation of funds.

Cause: There is a lack of good controls over cash and check receipts.

Recommendation: We recommend that the School set policies and procedures in place to ensure that all cash receipts are deposited within 24 hours.

Management's Response: The Business Manager will ensure deposits are made within 24 hours and that all supporting documentation is attached. This will be implemented immediately.

2015-001 Budget Adjustment Requests (BAR) (Compliance)

Condition: We noted the School budgeted more cash carryover of \$69,058 than the School had available for the Operational Fund.

Criteria: In accordance with Public Education Department (PED) requirements and 6-6-6 NMSA 1978, the School is required to follow PED procedures relating to Budget Adjustment Requests. This includes ensuring that BAR's are included in final budget amounts reported to Schools PED report. Per NMAC 6.20.2.10.B, School districts shall submit budget adjustment requests for the operating budget to the department for budget increases, budget decreases, transfers between functional categories, and transfers from the emergency reserve account. Expenditures shall not be made by the school district until budget authority has been established and approval received from the department. Budget adjustments shall not be incorporated into the school district's accounting system until approval is received by the department.

Effect: The school is not in compliance with State Statutes.

Cause: The budget was not being properly monitored.

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ALMA D'ARTE CHARTER HIGH SCHOOL (CONTINUED)

2015-001 Budget Adjustment Requests (BAR) (Compliance) (Continued)

Recommendation: The School must be familiar with Public Education Department (PED) requirements and 6-6-6 NMSA 1978 and follow the requirements for the budgetary system.

Management's Response: The Business Manager will ensure that the proper budget adjustment is made to match the audited cash balance. This will be implemented immediately.

2015-002 Mileage Reimbursements – (Compliance)

Condition: For the year ended June 30, 2015, auditor noted that the School reimbursed employees for mileage at a rate of fifty-five cents per mile. Of the 5 travel items tested that included mileage reimbursements, 100% reimbursed a rate higher than the current statutory rate. Of these 5 items, the total excess reimbursed was \$193.94.

Criteria: NMAC 2.42.2.11 (B) (1) states public officers and employees of state agencies shall be reimbursed for mileage accrued in the use of a private automobile or aircraft in the official discharge of official duties as follows: "unless the secretary has reduced the rates set for mileage for any class of public officials and for employees of state agencies pursuant to Section 10-8-5 (D) NMSA, 80% of the internal revenue service standard mileage rate set January 1 of the previous year for each mile traveled in a privately owned vehicle."

Effect: The School is not in compliance with New Mexico State Statutes in regards to mileage reimbursement.

Cause: The School contends that it is a Local Public Body and not a State Agency. As a Local Public Body, the school contends that it may reimburse mileage at the full amount authorized by the IRS. The New Mexico Public Education Department (PED) has indicated to the auditors that charter schools chartered under PED are a component unit of PED and should reimburse mileage at the rate approved for a State Agency.

Recommendation: The School should reimburse mileage at 80% of the internal revenue service standard mileage rate set January 1 of the previous year for each mile traveled in a privately owned vehicle.

Management's Response: The Business Manager will use the 80% of the IRS rate instead of the Board approved rate. This will be implemented immediately.

2015-003 Per Diem Rate Reimbursements – (Compliance)

Condition: For the year ended June 30, 2015, auditor noted that the School reimbursed employees in excess of the allowable rate for per diem once of seventeen items tested. Additionally, the School could not provide documentation for three of seventeen travel disbursements tested, for \$1,939.90

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Year Ended June 30, 2015**

ALMA D'ARTE CHARTER HIGH SCHOOL (CONTINUED)

2015-003 Per Diem Rate Reimbursements – (Compliance) (Continued)

Criteria: NMAC 2.42.2.8 (B) (1) states public officers and employees who occasionally travel shall be reimbursed for travel that does not require overnight lodging but extends beyond a normal workday as follows:

- (a) for less than 2 hours of travel beyond normal work day, none;
- (b) for 2 hours, but less than 6 hours beyond the normal work day, \$12.00;
- (c) for six hours, but less than 12 hours beyond the normal work day, \$20.00;
- (d) for 12 hours or more beyond the normal work day, \$30.00;

NMAC 2.42.2.9 (B) (3) states actual expenses for meals are limited by Section 10-8-4(K)(2) NMSA 1978 (1995 Repl. Pamp.) to a maximum of \$30.00 for in-state travel and \$45.00 for out-of-state travel for a 24-hour period.

Effect: The School does not comply with New Mexico State Statutes in regards to per diem reimbursement.

Cause: The School authorized payment of per diem reimbursements in excess of authorized per diem rates.

Recommendation: The School should review statutory amounts allowed for reimbursements, carefully scrutinize all request for reimbursements, and disallow any request that exceed the authorized amount. Additionally, school should conduct training for all employees concerning expense amounts allowed for all official travel.

Management's Response: The Business Manager will ensure that the state statute is followed for travel reimbursements. This will be implemented immediately.

AMY BIEHL HIGH SCHOOL

2014-001 Mileage Reimbursements – (Compliance)

Condition: For the year ended June 30, 2015, it was noted that the School reimbursed employees for mileage at a rate of fifty six cents per mile.

Criteria: NMAC 2.42.2.11 (B) (1) states public officers and employees of state agencies shall be reimbursed for mileage accrued in the use of a private automobile or aircraft in the official discharge of official duties as follows: "unless the secretary has reduced the rates set for mileage for any class of public officials and for employees of state agencies pursuant to Section 10-8-5 (D) NMSA, 80% of the internal revenue service standard mileage rate set January 1 of the previous year for each mile traveled in a privately owned vehicle."

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PUBLIC EDUCATION DEPARTMENT
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Year Ended June 30, 2015**

AMY BIEHL HIGH SCHOOL (CONTINUED)

2014-001 Mileage Reimbursements – (Compliance) (Continued)

Effect: The School is not in compliance with New Mexico State Statutes in regards to mileage reimbursement.

Cause: The School contends that it is a Local Public Body and not a State Agency. As a Local Public Body, the school contends that it may reimburse mileage at the full amount authorized by the IRS. The New Mexico Public Education Department (PED) has indicated to the auditors that charter schools chartered under PED are a component unit of PED and should reimburse mileage at the rate approved for a State Agency.

Recommendation: The School should reimburse mileage at 80% of the internal revenue service standard mileage rate set January 1 of the previous year for each mile traveled in a privately owned vehicle.

Management's Response: Amy Biehl High School disputes this finding. In March, 2010 the Finance Director at Amy Biehl High School received a determination from the Office of the State Auditor after posing the question: "There is one question that I have regarding the mileage reimbursement rate: When a charter school is authorized by the Public Education Commission, is the school considered a state agency or a local public body?" Their answer is: "Regardless of who chartered the school, charter schools fall under the definition of local public bodies."

The New Mexico Administrative Code, 2.42.2.11 (D) states: Local Public Bodies: Public officers and employees of local public bodies may be reimbursed for mileage accrued in the use of a private conveyance in the discharge of official duties, at the statutory rates unless such rates have been reduced by the governing bodies of the local public body pursuant to Section 10.8.5(D) NMSA 1978. That statute states, in regards to local public bodies: The governing body of any local public body may eliminate or may reduce the rates set for the per diem and mileage for all or any class of public officials and employees of the local public body at any time the local public body deems it to be in the public interest, and such reduction shall not be construed to permit payment of any other compensation, perquisite or allowance. The local public body shall exercise this power of reduction in a reasonable manner and shall attempt to achieve a standard rate for all public officers and employees of the same classification. Based on the statute and regulation noted above, the statutory rate for local public bodies is 100% of the IRS rate unless the governing body of the local public body reduces or eliminates that rate. The Governing Board of Amy Biehl High School has not reduced or eliminated that rate. Therefore, Amy Biehl High School is allowed to reimburse 100% of the IRS mileage rate.

Auditor's Rebuttal: It has been determined that the school is a component unit of the New Mexico Public Education Department. Because the school is a component unit of a State Agency, it must follow state statutes which limit mileage reimbursements to 80% of the Internal Revenue Service standard mileage rate.

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Year Ended June 30, 2015

AMY BIEHL HIGH SCHOOL (CONTINUED)

2015-001 Budgetary Conditions – (Compliance)

Condition: The School has an expenditure function where actual expenditures exceeded budgetary authority:

Amy Biehl High School Foundation
Fund 26187 \$98

The School also budgeted in excess of beginning cash available.

SB-9 Capital Improvements
Fund 31700 \$3,383

Criteria: Sound financial management and 6.20.2.9 (A) NMAC and 22-8-5 through 22- 8-12.2 NMSA 1978 require that budgets not be exceeded at the legal level of control. For school districts the function is the legal level of control.

Effect: The school is out of compliance with State Law and the control established by the use of budgets has been compromised.

Cause: A budget adjustment request was never submitted to account for the additional expenditures incurred for the Amy Biehl High School Foundation fund. In addition a budget adjustment request was not submitted for expenditures in excess of beginning cash in the SB-9 Capital Improvements Fund.

Recommendation: The School should establish a policy of budgetary review at year-end and make the necessary budgetary adjustments.

Management's Response: This condition is a result of Budget Adjustment Requests (BAR's) not being submitted to adjust FY 2014 ending cash balances in these funds. Amy Biehl High School was unable to submit Budget Adjustment Requests (BAR's) to the PED to increase the audited 2013-2014 year cash balance and thus increase the budget for these funds because the 2013-2014 audit had not been released by the final BAR submission deadline of June 1, 2015. State law prohibits the school from discussing an audit with anyone, including the Governing Council, until the audit has been released by the Office of the State Auditor. This rule exists as any person from the "general public" may attend open board meetings and any discussion of an unreleased audit to approve BAR's resulting from the audit would violate this rule. Adjusting the cash balance requires a BAR, and a BAR requires Governing Council approval. In fiscal year 2016 the business manager will ensure this does not occur again. This will be completed by December 31st.

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ANTHONY CHARTER SCHOOL

2014-001 Timely Deposits – (Compliance)

Condition: During our cash receipts testing, auditor noted that Anthony Charter School did not make deposits for cash receipts within twenty-four (24) hours of receipt. Fifteen of fifteen deposits tested, for a total of \$11,159.44, were not deposited timely or school could not provide documentation to show deposits were deposited timely. No progress has been made in the current year.

Criteria: Per NMAC 6.20.2.14.B states that “money received and receipted shall be deposited in the bank within twenty-four (24) hours or one banking day.”

Effect: The School is not in compliance with State statute and has exposed itself to possible misappropriation of funds.

Cause: There is a lack of adequate controls over cash and cash receipts.

Recommendation: The School should implement policies and procedures that track and maintain all items relating to cash receipts and ensure deposits are made timely.

Management’s Response: Current policies and procedures are in place that require that all personnel adhere to statutory requirements concerning cash receipts. These policies and procedures will be received and reinforced with the appropriate personnel.

2014-002 Mileage Reimbursements – (Compliance)

Condition: For the year ended June 30, 2015, auditor noted that the School reimbursed employees for mileage at a rate of fifty-six cents per mile. Of the 18 travel items tested that included mileage reimbursements, 80% reimbursed a rate higher than the current statutory rate. Additionally, documentation for one of eighteen travel disbursements tested, in the amount of \$327.08 could not be located. No progress has been made in the current year.

Criteria: NMAC 2.42.2.11 (B) (1) states public officers and employees of state agencies shall be reimbursed for mileage accrued in the use of a private automobile or aircraft in the official discharge of official duties as follows: “unless the secretary has reduced the rates set for mileage for any class of public officials and for employees of state agencies pursuant to Section 10-8-5 (D) NMSA, 80% of the internal revenue service standard mileage rate set January 1 of the previous year for each mile traveled in a privately owned vehicle.”

Effect: The School did not comply with New Mexico State Statutes in regards to mileage reimbursement.

Cause: The School contends that it is a Local Public Body and not a State Agency. As a Local Public Body, the school contends that it may reimburse mileage at the full amount authorized by the IRS. The New Mexico Public Education Department (PED) has indicated to the auditors that charter schools chartered

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ANTHONY CHARTER SCHOOL (CONTINUED)

2014-002 Mileage Reimbursements – (Compliance) (Continued)

under PED are a component unit of PED and should reimburse mileage at the rate approved for a State Agency.

Recommendation: The School should reimburse mileage at 80% of the internal revenue service standard mileage rate set January 1 of the previous year for each mile traveled in a privately owned vehicle.

Management's Response: The school is aware of the recommendation as set forth by the auditors as prescribed by the NMPED as its authorizer. Current mileage reimbursements are to be set at 80% of the IRS rate.

2014-003 Audit Committee – (Compliance)

Condition: The School does not have the required members on their audit committee. Currently the committee consists of three Board of Governance members. No progress has been made in the current year.

Criteria: Per NMSA 22-8-12.3 Each local school board shall appoint an audit committee that consists of two board members, one volunteer member who is a parent of a student attending the school district and one volunteer member who has experience in accounting or financial matters.

Effect: The School does not comply with New Mexico State Statutes in regards to the appointment of audit committee members.

Cause: The School has been unable to solicit the required members to date.

Recommendation: We recommend that the school review state compliance requirements and ensure that the audit committee consists of the members necessary.

Management's Response: School management and its Governing Council are aware of the requirements of the audit committee. A parent of a current student as well as a volunteer from the community with financial experience are actively being sought out in order to meet those requirements.

2015-001 Per Diem Rate Reimbursements – (Compliance)

Condition: For the year ended June 30, 2015, auditor noted that the School reimbursed employees in excess of the allowable rate for per diem in two of eighteen items tested. The total excess reimbursed is \$69.59. One of these reimbursements included payment for meals of non-employees. Additionally, the School could not provide documentation for one of eighteen travel disbursements tested, for \$327.08.

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PUBLIC EDUCATION DEPARTMENT
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ANTHONY CHARTER SCHOOL (CONTINUED)

2015-001 Per Diem Rate Reimbursements – (Compliance)(Continued)

Criteria: NMAC 2.42.2.8 (B) (1) states public officers and employees who occasionally travel shall be reimbursed for travel that does not require overnight lodging but extends beyond a normal workday as follows:

- (a) for less than 2 hours of travel beyond normal work day, none;
- (b) for 2 hours, but less than 6 hours beyond the normal work day, \$12.00;
- (c) for six hours, but less than 12 hours beyond the normal work day, \$20.00;
- (d) for 12 hours or more beyond the normal work day, \$30.00;

NMAC 2.42.2.9 (B) (3) states actual expenses for meals are limited by Section 10-8-4(K)(2) NMSA 1978 (1995 Repl. Pamp.) to a maximum of \$30.00 for in-state travel and \$45.00 for out-of-state travel for a 24-hour period.

Effect: The School does not comply with New Mexico State Statutes in regards to per diem reimbursement.

Cause: The School authorized payment of per diem reimbursements in excess of authorized per diem rates.

Recommendation: The School should review statutory amounts allowed for reimbursements, carefully scrutinize all request for reimbursements, and disallow any request that exceed the authorized amount. Additionally, school should conduct training for all employees concerning expense amounts allowed for all official travel.

Management's Response: All travel reimbursements will be more completely scrutinized by the business office and school management to ensure that per diem reimbursements do not exceed statutory maximums.

2015-002 Budget Adjustment Requests (BAR) (Compliance)

Condition: We noted the School budgeted more cash carryover of \$5,768 than the School had available for the Operational Fund.

Criteria: In accordance with Public Education Department (PED) requirements and 6-6-6 NMSA 1978, the School is required to follow PED procedures relating to Budget Adjustment Requests. This includes ensuring that BAR's are included in final budget amounts reported to Schools PED report. Per NMAC 6.20.2.10.B, School districts shall submit budget adjustment requests for the operating budget to the department for budget increases, budget decreases, transfers between functional categories, and transfers from the emergency reserve account. Expenditures shall not be made by the school district until budget authority has been established and approval received from the department. Budget adjustments shall not be incorporated into the school district's accounting system until approval is received by the department.

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Year Ended June 30, 2015**

ANTHONY CHARTER SCHOOL (CONTINUED)

2015-002 Budget Adjustment Requests (BAR) (Compliance)(Continued)

Effect: The school is not in compliance with State Statutes.

Cause: The budget was not being properly monitored.

Recommendation: The School must be familiar with Public Education Department (PED) requirements and 6-6-6 NMSA 1978 and follow the requirements for the budgetary system.

Management's Response: Normal procedures for the school hold that BARs are presented to the Governing Council for the purpose of matching projected cash carryover amounts to actual cash carryover amounts. These BARs are then submitted to the NMPED. The NMPED requires that all BARs have official documentation verifying amounts of increase or decrease. Historically, the NMPED has accepted the school's prior year audit as verification of cash carryover figures. To this date, the Office of the State Auditor has not released the FY14 audit to the public and therefore could not be used as backup for a BAR. Once the NMPED's audits are back to being released during a normal time frame the BAR process can be established once again to ensure that budget authority over cash carryover amounts are verified against the completed audit.

THE ASK ACADEMY

2013-001 Timely Deposits –Non-compliance in Accordance with the New Mexico State Audit Rule (Other Matter)

Condition: During testwork over cash receipts, we noted one deposit totaling \$1,645.00, made up of several checks and cash, was collected and not deposited within 24 hours. Management has implemented the appropriate processes and procedures, however ASK Academy lacks the immediate response to deposit funds within 24 hours of receiving them.

Criteria: NMAC 6.20.2.14 (C) states that "money received and receipted shall be deposited in the bank within twenty-four (24) hours or one banking day.

Effect: The ASK Academy was not in compliance with the State Statute.

Cause: School personnel did not follow established procedures to deposit the money in a timely manner.

Recommendation: We recommend that management ensures deposits are made in accordance with NMAC 6.20.2.14.C.

Management's Response: The school has put additional procedures in place to address timely deposit of cash receipts.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
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Year Ended June 30, 2015**

THE ASK ACADEMY (CONTINUED)

2015-001 Mileage Reimbursements – (Non Compliance)

Condition: During fiscal year 2015, the ASK Academy used the IRS standard rate for mileage reimbursements. We reviewed six mileage reimbursement for an employee's private vehicle and the reimbursement was paid at the IRS standard rate.

Criteria: NMAC 2.42.11(b)(1) NMAC states that public officers and employees of state agencies shall be reimbursed for mileage accrued in the use of a private automobile at 80% of the internal revenue service standard mileage rate set January 1 of the previous year for each mile traveled in a privately owned vehicle

Effect: The ASK Academy is not in compliance with the Per Diem and Mileage Act and is overpaying employees for travel on behalf of the Charter.

Cause: The Charter contends that it is a Local Public Body and not a State Agency. As a Local Public Body, the Charter contends that it may reimburse mileage at the full amount authorized by the IRS. The New Mexico Public Education Department (PED) has indicated to the auditors that charter schools chartered under PED are a component unit of PED and should reimburse mileage at the rate approved for a State Agency.

Recommendation: The ASK Academy should follow the Per Diem and Mileage Act for local governments when paying for mileage reimbursements; reimburse mileage at 80% of the IRS standard mileage rate set January 1 of the previous year for each mile traveled in a privately owned vehicle.

Management's Response: We disagree with this finding. The issue is not one of internal controls at the school but rather one of a change in opinion by the Public Education Department and external auditors. Previously the Public Education Department had issued a memorandum from the deputy secretary of education which stated charter schools were able to pay the mileage rate at the full IRS rate. Prior auditors had given charter schools audit findings for paying at the rate suggested here. The school followed prior PED and auditor instruction in paying the rate. The finding should be that the PED and auditors should be consistent in the interpretations issued to schools.

ASK ACADEMY - FOUNDATION

2015-001 Internal Control Structure (Material Weakness)

Condition: During our audit the Foundation we noted the following:

- Bank reconciliations are not prepared on a monthly basis.
- The President is involved various phases on the accounting process. The President prepares bond drawdown requests, can post revenues and expenses to the check register, can prepare and approve checks.

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PUBLIC EDUCATION DEPARTMENT
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Year Ended June 30, 2015**

ASK ACADEMY – FOUNDATION (CONTIUNUED)

2015-001 Internal Control Structure (Material Weakness)(Continued)

Criteria: The Committee of Sponsoring Organizations (COSO) of the Treadway Commission identifies that management should evaluate their control activities to a level that ensure their policies and procedures that help ensure management directives are carried out. Control activities help to ensure that necessary actions are taken to address risks to achievement of the Organizations objectives. They include ensuring adequate segregation of duties which ensures that all duties are divided, or segregated, among different people to reduce the risk of error or inappropriate actions. Responsibilities for authorizing transactions, recording them and handling the related asset must be divided.

Additionally, per sound accounting standards an entity shall establish and maintain an internal control structure, including a reconciliation function, 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. The internal control structure shall include written administrative controls (rules, procedures and practices, and policies that affect the organization) and accounting controls (activity cycles, financial statement captions, accounting applications including computer systems) that are in accordance with GAAP. Additionally, good internal controls require that an organizational structure be in place which separates incompatible activities to preclude control by any individual.

Effect: Errors and misappropriation of assets could go unnoticed, which could further result in unreliable financial information.

Cause: The Foundation did have effective internal control processes in place.

Recommendation: We recommended the bank reconciliations be performed on a monthly basis and the Foundation implement financial policies procedures that ensure an adequate level of segregation of duties.

Management’s Response: With the issuance of the bonds and the start of FY16, the financial operations of the ASK Foundation have now been moved to an external firm to maintain the bookkeeping functions. This will include preparation of periodic reports, reconciliation of the bank statement, and preparation of audit schedules required. The Foundation’s main activity will continue to be the purchase-Lease/Purchase of the school’s facility. Because this represents most of the financial activity in the Foundation and is overseen by the Trustee Bank, the internal controls established protect the Foundation from misappropriation. A review of internal controls over local funds will be completed for the remaining funds.

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PUBLIC EDUCATION DEPARTMENT
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Year Ended June 30, 2015**

CESAR CHAVEZ COMMUNITY SCHOOL

2015-001 Procurement Code (Non-Compliance in Accordance with the New Mexico State Audit Rule)

Condition: During our procurement test work, we noted the School did not obtain three quotes for security services whose total payments for the year amounted to \$25,968. This contract was originally entered into in fiscal year 2013.

Criteria: NMAC 6.20.2.17 PURCHASING states A. Each school district shall establish and implement written policies and procedures for purchasing which shall be in compliance with the Procurement Code, Section 13-1-21 et seq., NMSA 1978. Purchasing policies and procedures for grant funding shall comply with requirements established within the grant and the Procurement Code. An internal control structure over purchasing shall be established and maintained to assure compliance with school district policy, state and federal regulations. The School's financial policies state "All purchases must follow procurement code regulations as updated by the NM State General Services Department." According to NMSA Article I, Section 13-1-104, Central purchasing offices shall send copies of the notice or invitation for bids involving the expenditure of more than twenty thousand dollars (\$20,000) to those businesses that have signified in writing an interest in submitting bids for nonprofessional services.

Effect: The School could be overpaying for services and goods.

Cause: Internal controls were not in place to ensure the School follows procurement guidelines when obtaining a vendor for nonprofessional services.

Recommendation: For nonprofessional purchases between \$20,000 and \$60,000, the School should solicit no fewer than three businesses via written requests containing the specifications for the procurement.

Management's Response: Cesar Chavez Community School has procedures in place to solicit a minimum of three bids for nonprofessional purchases between \$20,000 and \$60,000. The School has implemented a new filing system to allow for bids to be accessed after the year the initial contract and bidding process took place to allow for verification by the auditors. The business manager expects to have this process implemented by early 2016.

CIEN AGUAS INTERNATIONAL SCHOOL

2014-001 Internal Control Structure (Non-compliance in Accordance with the New Mexico State Audit Rule)

Condition: During testwork over a sample of 25 disbursements and four travel reimbursements we noted the following:

- Purchase orders were not created and approved for five general disbursements reviewed.
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Year Ended June 30, 2015

CIEN AGUAS INTERNATIONAL SCHOOL (CONTINUED)

2014-001 Internal Control Structure (Non-compliance in Accordance with the New Mexico State Audit Rule)(Continue)

- For one travel reimbursement, we noted that meal expense reimbursement was based on the U.S. General Services Administration per diem rate for the locale where the employee traveled. Meal expense reimbursement was made in the amount of \$71 per day for travel to Las Vegas, Nevada.
- For two of the sample items tested a purchase order was not available for our review.
- For three of the samples items tested an employee travel reimbursement form was not completed and submitted by the employee prior to disbursement.
- For one of the sample items tested mileage was reimbursed at the rate of \$.439 per mile but should have been reimbursed at the rate of \$.452 per mile.

Criteria: Per NMAC 6.20.11 (A) Internal Control Structure Standards, “every school district shall establish and maintain an internal control structure to provide management with reasonable assurance that assets are safe-guarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management’s authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with GAAP. The internal control structure shall include written administrative controls (rules, procedures and practices, and policies that affect the organization) and accounting controls (activity cycles, financial statement captions

Effect: The school is not in compliance with per diem regulations set forth by NMAC 2.42.2.9 and policies regarding the appropriate documentation of travel and travel reimbursement. The School is at risk of over expending budgets when the purchase order process is circumvented.

Cause: Policies and procedures were not in place for travel reimbursement to ensure compliance with the rules noted above. Additionally, it wasn’t until March 2015 that the school developed and implemented an “employee travel reimbursement voucher” and “employee request for travel form.”

Recommendation: Develop and implement policies and procedures that will ensure compliance with the travel and per diem requirements as set-forth by NMAC 2.42.2.9 and ensure policies for the accurate and timely submission of employee travel reimbursement vouchers and employee request for travel forms are enforced.

Management’s Response: A purchase requisition form was implemented by the current business manager during FY2015 and enforced this FY2016. All staff wishing to make a purchase completes the purchase requisition form and submits it to the Director for approval. After the purchase requisition has been approved by the Director it is then forwarded to the business manager and a purchase order is created. As for travel, a request for travel and a travel reimbursement form were implemented during FY2015 and enforced this FY2016. All staff wishing to travel completes the request for travel form and submits it to the Director for approval. After the request for travel has been approved all documents are submitted to the business manager and a purchase order is created for travel expenses. When an

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CIEN AGUAS INTERNATIONAL SCHOOL (CONTINUED)

2014-001 Internal Control Structure (Non-compliance in Accordance with the New Mexico State Audit Rule)(Continue)

employee returns from the travel he/she is required to complete a travel reimbursement form if they wish to be reimbursed for their travel expenses. Both travel forms note the rates as per NMAC 2.42.2.9.

All staff is now aware of the new process for purchasing and for travel. The IRS mileage rate for 2014 was .56 cents and state would be .448 cents per mile. The IRS mileage rate for 2015 is .575 cents and state would be .46 cents per mile. State is 80% of IRS rate as per NMAC 2.42.2.11 (1).

2014-002 Payroll Transactions (Noncompliance in Accordance with the New Mexico State Audit Rule)

Condition: During internal control testwork over a sample of 25 payroll transactions, we noted the following:

- We noted three employee background checks that were not available for review. The School was unable to locate them and as a result had background checks completed in August and September 2015 for these individuals.
- We noted one employee where FICA/Medicare is being calculated on gross wages and not gross wages less applicable benefits.
- Leave was not tracked for the school director throughout the current school year.

Criteria: Background checks should be completed for all individuals hired for sensitive positions and in accordance with written policies and procedures as established by the Governing Council.

NMAC 6.20.2.18 requires various employee records and documentation to be maintained and available for inspection, including personnel/payroll action forms that properly document employee compensation. The School's payroll processing and payment procedures also have policies and procedures for tracking individual employee leave.

Effect: The School is not in compliance with requirements to have employee background checks completed and completed timely. Excess social security tax is being withheld each pay date for the individual noted above. The School is not in compliance with its payroll processing and payment policies and procedures and NMAC 6.20.2.18.

Cause: The School's policies and procedures are not being enforced.

Recommendation: Personnel files should be periodically reviewed to ensure all required personnel file documents have been obtained and are complete and accurate, including benefit election forms and compensation documentation. Lastly, leave for all employees should be tracked in accordance with the School's own policies and procedures.

Management's Response: A checklist has been created and is used to ensure that all human resource documents have been collected, entered and filed in each employee's personnel file. Leave is tracked

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
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Year Ended June 30, 2015

CIEN AGUAS INTERNATIONAL SCHOOL (CONTINUED)

2014-002 Payroll Transactions (Noncompliance in Accordance with the New Mexico State Audit Rule)

for all staff including the director of Cien Aguas International School. The business manager resolved these issues immediately after they were brought to their attention.

2014-003 Audit Committee- Noncompliance

Condition: The School does not have the required members on their audit committee.

Criteria: Per NMSA 22-8-12.3 each local school board shall appoint an audit committee that consists of two board members, one volunteer member who is a parent of a student attending the school district and one volunteer member who has experience in accounting or financial matters.

Effect: The school is not in compliance with the above noted statute.

Cause: The School has and continues to make attempts to solicit the required audit committee members but has not been successful in its recruiting efforts.

Recommendation: Continue to solicit members to serve on the audit committee and ensure adequate efforts are being made to effectively recruit audit committee members.

Management's Response: The governing body is actively searching for an audit committee member(s). As of October 28, 2015, the positions have been filled.

2015-001 Excess of Expenditures over Budget (Non-compliance in Accordance with the New Mexico State Audit Rule)

Condition: The School has the following expenditure functions in the operational fund where actual expenditures exceeded budgetary authority in the following amounts:

Operation and Maintenance of Plant	\$ 12,543
Food Services Operations	1,533

Criteria: Per NMAC 6.20.2.9(A) every school district shall follow budget requirements stated in Sections 22-8-5 through 22-8-12.2, NMSA 1978, and procedures for the department in preparing, submitting, maintaining and reporting budgetary information. Budgetary control shall be at the function level. Over-expenditure of a function shall not be allowed.

Effect: The School's expenditures in the above functions exceeded the total approved budgeted expenditures.

Cause: Budgetary controls were not in place to adequately monitor and regularly compare budget to actual results. As a result, measures were not taken to avoid or minimize the amount that actual expenditures exceeded the approved budget for the School's operational fund.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
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CIEN AGUAS INTERNATIONAL SCHOOL (CONTINUED)

2015-001 Excess of Expenditures over Budget (Non-compliance in Accordance with the New Mexico State Audit Rule)(Continued)

Recommendation: Controls should be implemented to ensure that budgeted amounts are compared to actual on a regular basis and the budget effectively utilized for controlling expenses and managing cash flows.

Management's Response: A review of revenues and expenditures is now being conducted on a monthly basis by the School's business manager to avoid over spending in any fund or account. Budget adjustments and/or journal entries will be presented by the business manager and approved on an as needed basis to ensure that we are not spending over our budget limits. These procedures have already been implemented and management considers this finding resolved.

2015-002 Budgetary Conditions (Noncompliance in Accordance with the New Mexico State Audit Rule)

Condition: The School did not properly budget prior year cash carry-over in the SB-9 Capital Improvements Fund 31700. Prior year cash carry-over was \$56,345 which was insufficient to cover the current year final budgeted deficit of \$75,398.

Criteria: Per NMAC 6.20.2.9 (A) every school district shall follow budget requirements stated in Sections 22-8-5 through 22-8-12.2, NMSA 1978, and procedures of the department in preparing, submitting, maintaining and reporting budgetary information.

Effect: The School is out of compliance with New Mexico state statute and the controls established by the use of budgets has been compromised, which would result in deficit fund balances and unnecessary usage of funds to cover the budgeted over expenditures.

Cause: The budget adjustment request did not consider prior year carry-over amounts for the SB-9 Capital Improvements fund and a budget adjustment request was not prepared and submitted to PED.

Recommendation: We recommend that the School establish a policy where the budget is reviewed at the end of each quarter and give consideration to deficits and ensure that designated cash is available to cover such overages.

Management's Response: The budget for fund 31700 was approved by PED during the initial budget process and which resulted in a deficit amount of \$75,398. Per the 4th quarter cash report carryover funds amounted to \$56,345. However, expenses for FY2015 were well under the actual budget amount of \$175,048 so there was no adverse effect to the school's financial condition as a result of this. Effective immediately, monthly reviews of the budget by the business manager will now include a review to ensure that budgeted expenses do not exceed budgeted revenues and if they do a review to ensure adequate carryover funds to cover the budgeted deficit will be performed. Management considers this finding resolved.

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CORAL COMMUNITY CHARTER SCHOOL

2014-001 Timely Deposits (Non-Compliance in Accordance with the New Mexico State Audit Rule)

Condition: During our cash receipts test work, we noted the School did not keep and maintain a cash receipt log that documents the date of cash receipts. We were unable to obtain sufficient audit evidence to confirm that deposits were made within the 24-hour required timeframe.

Criteria: NMAC 6.20.2 states that “money received and receipted shall be deposited in the bank within twenty-four (24) hours or one banking day.”

Effect: The School was not in compliance with State Statute. Additionally, the School has exposed itself to possible misappropriation of assets.

Cause: The School was not aware of this requirement in October 2014 when this cash receipt was not deposited timely. After working with the auditors during the June 30, 2014 audit, the business manager is now fully aware of this requirement and has addressed internal controls regarding deposits.

Recommendation: We recommend that the School utilize a cash receipt log to document the date and amount of receipt and create a procedure to ensure that all funds are properly deposited within 24 hours.

Management’s Response: School personnel have been using the required receipt book to log and date the amount of cash received for the 2014-2015 school year. Cash and checks are deposited within the 24 hours. Personnel changes were made to insure procedures are being followed as required by the school’s Internal Control Procedures. This should not result in a double finding due to the timing of the second audit. The business manager will be responsible for ensuring the school is in compliance and has resolved this issue immediately.

2014-002 (Internal Control Structure (Non-Compliance in Accordance with the New Mexico State Audit Rule)

Condition: During our internal control testwork over a sample of 26 cash disbursements and 4 travel reimbursements we noted an instance where the School paid for travel to the head administrator for \$870 in July 2014. There was no purchase order for the payment of this amount. The School requires that purchase or services valued at more than \$500, but less than \$5,000 require the School employee or official to complete a Purchase Requisition and a Purchase Order for Purchasing Officer approval.

Criteria: Per NMAC 6.20.2.11 (A) Internal Control Structure Standards, “every school district shall establish and maintain an internal control structure to provide management with reasonable assurance that assets are safe-guarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management’s authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with GAAP. The internal control structure shall include written administrative controls (rules, procedures and practices, and policies that

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CORAL COMMUNITY CHARTER SCHOOL (CONTINUED)

2014-002 (Internal Control Structure (Non-Compliance in Accordance with the New Mexico State Audit Rule)(Continued)

affect the organization) and accounting controls (activity cycles, financial statement captions, accounting applications including computer systems) that are in accordance with GAAP.”

Effect: Purchases could be made without proper approval and expenditures could be reported inaccurately to PED or misclassified in the improper fund, which could lead to funds being overspent and balances misstated.

Cause: The School did not follow internal control purchasing policies and procedures.

Recommendation: Ensure purchase orders are created prior to receiving goods and services.

Management’s Response: The request for travel was made prior to the required out of town professional development per the Internal Control Procedures. At the time of the request it was anticipated that a purchase order was not required based on expenses. The invoice was consolidated unexpectedly at the time of checkout by the business. One staff member was now required to pay for all expenses based on the hotel’s operational procedure and therefore should not result in a finding. The business manager will be responsible for ensuring the school is in compliance and has resolved this issue immediately.

2015-001 Payroll Transactions (Non-Compliance in Accordance with the New Mexico State Audit Rule)

Condition: During our testwork of payroll and payroll related reports, we noted 3 employees did not have a background check in their employee personnel file.

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

Effect: The School could be exposed to unnecessary liability

Cause: The School had a change in management and had pending background checks that they never followed up on with the state.

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CORAL COMMUNITY CHARTER SCHOOL (CONTINUED)

2015-001 Payroll Transactions (Non-Compliance in Accordance with the New Mexico State Audit Rule)(Continued)

Recommendation: We recommend that the School review requirements for required payroll forms and that a review of completeness be performed annually.

Management's Response: Personnel has been changed and The Human Resources Director is now responsible for reviewing the completion of all paperwork required for employment. The school's Human Resource Director will ensure they are in compliance and has resolved this issue as of October 2015.

2015-002 Budgetary Conditions – (Noncompliance in Accordance with the New Mexico State Audit Rule)

Condition: The School had an expenditure function where actual expenditures exceeded budgetary authority by the following amount:

Operational (11000)	
Food Services Operations	\$2,707

Criteria: Per NMAC 6.20.2.9 (A) every school district shall follow budget requirements stated in Section 22-8-5 through 22-8-12.2, NMSA 1978, and procedures of the department in preparing, submitting, maintaining and reporting budgetary information. Budgetary control shall be at the function level. Over-expenditure of a function shall not be allowed.

Effect: The School expenditures in the above function exceeded the total approved budgeted expenditures by \$2,707.

Cause: The business manager was aware of the budget overage in early June 2015. However, the business manager was instructed by a PED budget analyst to move the \$2,707 from the Food Services fund (21000) to the Operational fund (11000). Due to this adjustment, the Food Services Operations line item (within fund 11000) became over budget. In addition, during June 2015 the system to make any further adjustments was down so the school could not make any further budget adjustment requests for this difference.

Recommendation: Continue to monitor and budgetary requirements and make sure any needed adjustments are made before year end.

Management's Response: The school complied with all budgetary requirements for food services. The Business Manager created the budget for food service operations based on an estimate of revenue due to the fact that the school was in the first year of food service operations as directed by the school's PED Budget Analyst. The Budget Analyst required the monies be moved to the operational fund due to the fact that the budget line item was less than the expenditure. The school did have revenue to cover the expenditure and therefore should not receive a finding as we were following the direction of the

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CORAL COMMUNITY CHARTER SCHOOL (CONTINUED)

2015-002 Budgetary Conditions – (Noncompliance in Accordance with the New Mexico State Audit Rule)(Continued)

PED Budget Analyst. The business manager will be responsible for ensuring the school is in compliance and has resolved this issue as of July 2015.

COTTONWOOD CLASSICAL PREPARATORY SCHOOL

2014-002 Compliance with Payroll Recordkeeping – (Compliance/other matter)

Condition: Out of 40 items tested for controls over payroll, the following exceptions were noted: one instance of an I-9 not on file and 7 instances of an incomplete Form I-9, Section 2, the employer review and verification were not complete. Management is progressing in regards to the implementation of a periodic review of its personnel files.

Criteria: Pursuant to 6.20.2.18 NMAC, I-9's, among other documents, are required to be included in personnel files.

Effect: Non-compliance with the aforementioned statute with the potential of hiring a non-eligible employee.

Cause: Improper oversight over the maintenance of personnel records.

Recommendation: We recommend a periodic re-inspection of personnel files to ensure continuous compliance with the statutory requirements.

Management's Response: All files will be reviewed by personnel assigned oversight responsibilities to ensure compliance.

2014-003 Violation of the New Mexico Anti-Donation Clause (Non-Compliance, Other Matters)

Condition: The School has entered into a Pledge and Covenant Agreement with a third party lender to secure debt of a legally separate entity (the Cottonwood Classical Foundation, a 501(c)(3) organization). Under the terms of the debt agreement, the lender required the School to pledge, transfer, and grant a security interest in and assign to the lender all funds, monies, grants or other distributions received by the School from the State of New Mexico.

Furthermore, the Pledge and Covenant Agreement identified that the School establish and maintain a depository account with the lender into which all education funding received by the School from the Public Education Department (including Equalization Guarantee Funding, Lease Reimbursement Program payments, and other special funds and federal pass-through funding constituting Adjusted Pledged Revenues) shall be deposited into. The lender is authorized to withdraw from this account upon default by the Cottonwood Classical Foundation.

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COTTONWOOD CLASSICAL PREPARATORY SCHOOL (CONTINUED)

2014-003 Violation of the New Mexico Anti-Donation Clause (Non-Compliance, Other Matters)(Continued)

Criteria: Pursuant to Article IX, Section 14 of the New Mexico State Constitution (Anti-Donation Clause), neither the state nor any county, school district or municipality shall directly or indirectly lend or pledge its credit or make any donation to or in aid of any person, association or public or private corporation.

Effect: As the School has pledged revenues to secure debt payments on an obligation not owed by the School and is in violation of state statute. As a result of this violation, the debt could be considered invalid.

Cause: The School was unaware that the securitization of debt was a violation of state statute. Furthermore, the School did not seek approval by the Public Education Department to ensure compliance with New Mexico State Law.

Recommendation: We recommend that the School seek immediate assistance from the Public Education Department for guidance on communication between the Foundation and Lender to re-negotiate the terms of the debt agreement to exclude any future pledging by the School. It is further recommended that the revised and final debt agreement be reviewed and accepted by the Public Education Department General Counsel to ensure compliance with New Mexico State Law.

Management Response: We disagree with this finding. Two separate law firms within the State of New Mexico served as legal counsel for the transaction; one for the Cottonwood Classical Preparatory School (School) and one for the Cottonwood Classical Preparatory School Foundation (Foundation). Legal counsel was hired to ensure compliance with all applicable State of New Mexico laws and regulations.

Discussions with the school legal counsel note the following. The school did not pledge with the third party lender (bondholders) to secure the debt of the Foundation. The Pledge and Collateral Agreement's sole purpose is to assure that the School will pay its lease payments. The trustee bank is only allowed to withdraw funds for payment of the School's obligation under the lease and, only from sources eligible to be used for lease payments. There is no agreement for the School to pay any obligation of the Foundation.

In addition, the School did submit a lease purchase agreement to the NM Public Education Department (PED) for approval in compliance with department rules and regulations. The PED was provided with much of the information from this transaction. The School received a letter dated August 8, 2014 from Secretary Hanna Skandera approving the lease purchases agreement. Copied on the Secretary's letter were the PED Deputy Secretary, Finance & Operations; and, PED General Counsel. No discussion or questions were ever given to the School on the transaction during this process.

The School is willing to work with the NM PED, and the Foundation to address any compliance issues.

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COTTONWOOD CLASSICAL PREPARATORY SCHOOL (CONTINUED)

2015-001 Controls Over Cash Disbursements – (Significant Deficiency)

Condition: In 2 out of 40 disbursements tested, the purchase order was dated after the invoice date, indicating that the purchase was not properly approved before it was made.

Criteria: Section NMAC 6.20.2.17 (A), requires 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 et seq., NMSA 1978. An internal control structure over purchasing shall be established and maintained to assure compliance with school policy, and state and federal regulations. Also, the New Mexico Manual of Procedures for Public School Accounting and Budgeting, Supplement 13 – Purchasing, states that “the preparation and execution of a duly authorized purchase order must precede the placement of any order for goods, services or construction.”

Effect: Without proper approval, purchases for unauthorized goods or services may occur.

Cause: Processes and procedures in place were by-passed by those involved in the purchasing process.

Recommendation: We recommend the Charter develop and implement internal controls over purchasing procedures to ensure that all purchases are approved in accordance with Charter policies and procedures. Goods and/or services should not be ordered until all required authorizing signatures are obtained.

Management’s Response: The school has internal controls in place over the purchasing process including the requirement for a purchase order prior to ordering of goods or services. The school will emphasize the importance of compliance of these requirements with staff.

2015-002 Travel and Per-Diem – (Noncompliance)

Condition: During fiscal year 2015, the CCPS used the IRS standard rate for mileage reimbursements. We reviewed one mileage reimbursement for an employee's private vehicle and the reimbursement was paid at the IRS standard rate.

Criteria: NMAC 2.42.11(b)(1) NMAC states that public officers and employees of state agencies shall be reimbursed for mileage accrued in the use of a private automobile at 80% of the internal revenue service standard mileage rate set January 1 of the previous year for each mile traveled in a privately owned vehicle

Effect: The CCPS is not in compliance with the Per Diem and Mileage Act and is overpaying employees for travel on behalf of the Charter.

Cause: The Charter contends that it is a Local Public Body and not a State Agency. As a Local Public Body, the Charter contends that it may reimburse mileage at the full amount authorized by the IRS. The New

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COTTONWOOD CLASSICAL PREPARATORY SCHOOL (CONTINUED)

2015-002 Travel and Per-Diem – (Noncompliance)(Continued)

Mexico Public Education Department (PED) has indicated to the auditors that charter schools chartered under PED are a component unit of PED and should reimburse mileage at the rate approved for a State Agency.

Recommendation: The CCPS should follow the Per Diem and Mileage Act for local governments when paying for mileage reimbursements; reimburse mileage at 80% of the IRS standard mileage rate set January 1 of the previous year for each mile traveled in a privately owned vehicle.

Management's Response: The school complied with the direction sent to it via memorandum from the Public Education Department. It should also be noted that prior auditors had given the school a finding for paying at the rated recommended in this finding. The PED and State of New Mexico are inconsistent with the determination of when the school is a state agency or other public body. For purposes of the Section 218 of the IRS, charter schools are considered other public bodies; for purposes of mileage reimbursement, the direction for the past 5 years was that schools were other public bodies but recently have determined schools are state agencies. The inconsistent direction given is the cause of this finding not the practices of the charter school.

2015-003 Timely Deposits – (Noncompliance)

Condition: During our cash receipt testing we noted that deposits were not being made within twenty-four (24) hours after being received. In two of fifteen items tested, we noted that \$140.00 were not deposited in a timely manner.

Criteria: Per NMAC 6.20.2.14.C states that "money received and receipted shall be deposited in the bank within twenty-four (24) hours or one banking day".

Effect: The Cottonwood Classical Preparatory School is not in compliance with the cash deposit compliance requirements as stated at NMAC 6.20.2.14.C.

Cause: The Cottonwood Classical Preparatory School lacks the appropriate controls over cash and check receipts.

Recommendation: We recommend that CCPS set policies and procedures in place to ensure that all cash receipts are deposited within 24 hours.

Management's Response: Procedures are in place to ensure timely deposit within the required timelines. Compliance with these procedures will be emphasized to staff collecting funds.

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COTTONWOOD CLASSICAL PREPARATORY SCHOOL (CONTINUED)

2015-004 Expenditures Exceed Budget (Other Matter)

Condition: The Charter has expenditure functions where actual expenditures exceeded budgetary authority:

<u>Fund</u>	<u>Excess of Expenditures over Appropriations</u>
Student Transportation (13000)	
Student Transportation	\$ (42,535)

Criteria: According to 6.20.2.9 NMAC, budgetary control shall be at the function level. Over-expenditure of a function shall not be allowed.

Effect: The Charter is non-compliant with State Law.

Cause: A budget adjustment request was not submitted to account for additional expenditures incurred for Student Transportation.

Recommendation: We recommend that CCPS should establish a policy of budgetary review at year-end to make the necessary budgetary adjustments.

Management's Response: The school has a budgetary review process. A Budget Adjustment Request, BAR, (502-000-1415-026-I) was submitted and approved by the Program Manager, Fiscal Analyst and Fiscal Supervisor and but disapproved by the Fiscal Director. The school did not received notice of an increase in student transportation funding but when reconciling the bank to the general ledger noticed an additional deposit of \$46,243. Researching the direct wire from the state disclosed the additional award. The Student Transportation Department at PED was called and with their approval a BAR was submitted. The Director used the arbitrary date established by PED for BAR entries as the reason for disapproval not taking the circumstances into consideration. In addition, the PED did not allow the school to budget carryover balances from FY14 without a completed audit which had been delayed by the PED. With completion of this audit, the school will submit BARs to budget all funds available. The school will also work with the PED Student Transportation Department to ensure it is notified of allocations/awards.

CREATIVE EDUCATION PREPARATORY INSTITUTE

2009-024- PED Cash Report-- (Material Weakness and Compliance)

Condition: During our test work, it was noted that beginning balances do not agree to the prior year audited financial statements. Revenues do not tie to the general ledger. Expenditures do not tie to the general ledger. Ending cash balances do not tie to the general ledger.

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CREATIVE EDUCATION PREPARATORY INSTITUTE (CONTINUED)

2009-024- PED Cash Report– (Material Weakness and Compliance)(Continued)

The June 30, 2015 bank reconciliation shows outstanding items of \$311,910.08. The PED cash report at June 30, 2015 shows outstanding items of \$64,122.19. The variance is \$247,787.89.

Criteria: According to State regulation 6.20.2.11 (B) (6), NMAC and Regulation SBE-6, the reports sent to the New Mexico Public Education Department (PED) must agree to the general ledger. Per the New Mexico State Audit Rule, the audit report of each school district shall include a cash reconciliation schedule which reconciled the cash balance as of the end of the previous fiscal year to the cash balance at the end of the current fiscal year.

Effect: The School's reporting to PED is not correct and PED does not have an accurate reflection of the schools cash balances.

Cause: The School does not have a process in place to ensure that bank accounts are being properly reconciled to the general ledger and to the PED cash report.

Recommendation: The School should put in place procedures to ensure that bank reconciliations reconcile to the general ledger and the PED cash report.

Management's Response: The School will work closely with PED to correct the variance and to make sure that reports are accurate. The School's Finance Committee will review the reports prior to being submitted. The School has contracted with a public accounting firm to help reconcile cash and provide training to school personnel. The Business Manager is responsible for correcting this finding. The School anticipates having this corrected by the end of January 2016.

2011-001- Internal Control Structure – (Material Weakness and Compliance)

Condition: During our fieldwork we noted the following:

- The School posted journal entries to fund balance during the fiscal year. The School was not able to provide supporting documentation for these fund balance journal entries. The School was also unable to provide support for other journal entries made during the fiscal year. There is also no indication that journal entries are being reviewed and approved by someone other than the preparer of the journal entries.
- The School was unable to provide documentation on how accrued liabilities were calculated at June 30, 2015.
- In a sample of sixty cash disbursements, there were eight instances in where the school was not able to locate all the supporting documentation. The amounts of these cash disbursements were:

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CREATIVE EDUCATION PREPARATORY INSTITUTE (CONTINUED)

2011-001- Internal Control Structure – Repeated and Modified – (Material Weakness and Compliance)(Continued)

\$11,050.50, \$1,849.84, \$1,790.19, \$1,210.59, \$1,206.25, \$801.09, \$590.00 and \$256.69. The checks for \$1,210.59 and \$801.09 were payable to a credit card company. The checks for \$1,849.84 and \$1,790.19 were payable to the school's Business Manager.

- The employer's share of Retiree Health Care expenditures did not agree to the general ledger. We noted a difference of \$443.
- The employer's share of FICA and Medicare contributions on the Forms 941 did not agree to the general ledger. We noted a difference of \$1,753.

Criteria: Per NMAC 6.20.2.11 (A) Internal Control Structure Standards, "every school district shall establish and maintain an internal control structure to provide management with reasonable assurance that assets are safe-guarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with GAAP. The internal control structure shall include written administrative controls (rules, procedures and practices, and policies that affect the organization) and accounting controls (activity cycles, financial statement captions, accounting applications including computer systems) that are in accordance with GAAP." Per NMAC 6.20.2.14 (F).1 Cash Control Standards, "posting errors are not to be erased, crossed out, or in any other manner eliminated from the ledger. A separate entry is required to incorporate necessary corrections. Cross-referencing of a correcting entry to the original error should be inserted under the "description" column of the ledger."

Effect: Financial statements could be misstated.

Cause: The school does not have an effective set of procedures in place to review documentation being generated for financial related matters.

Recommendation: All journal entries should be supported by the documentation needed to make those entries. Journal entries should be reviewed and approved by someone other than the preparer. We recommend the School develop and implement internal controls over recording expenditures to the proper general ledger account. Expenditures submitted for reimbursement should be recorded to the corresponding fund and function related to the expense. The Forms 941 and Retiree Health Care reports should be reconciled to the general ledger prior to them being filed.

Management's Response: The School has contracted with a public accounting firm to provide training to school personnel. The school will work with additional business support to ensure that the school is preparing journal entries accurately and that support is attached. Journal entries will be reviewed by the Finance Committee prior to being posted. The school will review, revise & implement policies related to the internal controls including controls related to recording expenditures to the proper general ledger account. The school will also develop and implement policy over the review of

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CREATIVE EDUCATION PREPARATORY INSTITUTE (CONTINUED)

2011-001- Internal Control Structure – (Material Weakness and Compliance)(Continued)

monthly, quarterly & annual reports prior to them being submitted. The Business Manager is responsible for correcting this finding. The School anticipates having this corrected by the end of January 2016

2011-002- Budgetary Conditions – (Compliance)

Condition: The School had funds with expenditure functions where actual expenditures exceeded budgetary authority:

Operational Fund	
Instruction	\$42,547
Dual Credit Instructional Materials Fund	
Instruction	\$1,207

Criteria: Sound financial management and 6.20.2.9 (A) NMAC and 22-8-5 through 22- 8-12.2 NMSA 1978 require that budgets not be exceeded at the legal level of control. For school districts the function is the legal level of control.

Effect: The school is out of compliance with State Law and the control established by the use of budgets has been compromised.

Cause: A budget adjustment request was never submitted to account for the additional expenditures incurred for the Operational Fund and the Dual Credit Instructional Materials Fund.

Recommendation: The School should establish a policy of budgetary review at year-end and make the necessary budgetary adjustments.

Management’s Response: The School along with the Finance Committee will establish a policy of budgetary review at the end of each Quarter and check that the necessary budgetary adjustments have been made. The Business Manager is responsible for correcting this finding. Procedures should be in place by December 31, 2015.

2011-03- Bank Accounts– (Material Weakness)

Condition: During our test work over cash we noted the following:

- The bank reconciliation for June 30, 2015 reports \$311,910.08 in outstanding items. This amount includes \$234,937.97 of items that have been outstanding for more than one year.

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CREATIVE EDUCATION PREPARATORY INSTITUTE (CONTINUED)

2011-03- Bank Accounts– (Material Weakness)(Continued)

- Bank reconciliations for the entire fiscal year were examined. It was noted that the “Expected GL” and “Actual GL” did not match in any month. The smallest variance was \$64,292.42, the largest variance was \$80,366.23, and the average variance was \$72,856.70.
- There was no evidence of the bank reconciliations being reviewed.

Criteria: All bank accounts should be reconciled on a monthly basis. Outstanding items should be investigated and the general ledger should be adjusted for any stale dated checks. Reconciled bank statements should be reviewed by someone other than the preparer for accuracy.

Effect: It cannot be determined if cash balances are correct at June 30, 2015.

Cause: There is a lack of understanding over how the bank reconciliation report is generated and how to clear items that have cleared. This has led to erroneously identified outstanding items.

Recommendation: We recommend that School personnel obtain additional training in how to reconcile the cash accounts using the APTAfund accounting software.

Management’s Response: The School has contracted with a public accounting firm to help reconcile cash and provide training to school personnel. The Business Manager is responsible for correcting this finding. The School anticipates having this corrected by the end of January 2016.

2012-003- ERB Contributions– (Compliance)

Condition: During our fieldwork we noted that the employer’s share of ERB expenditures reported did not agree to the general ledger. We noted a difference of \$5,302.

Criteria: Per the ERB rules, the electronic reports, consisting of salaries and contributions and demographic information, must be sent by the 15th of the month following the month covered by the Report. The form must be faxed the same day that the contributions are electronically submitted, no later than the 15th of the month following the month covered by the Report. The amounts reported on the ERB forms should reconcile with the general ledger.

Effect: It is unclear if the correct amounts were contributed to the Educational Retirement Board.

Cause: The contribution reports are not being reconciled to the general ledger.

Recommendation: The School establish procedures to reconcile the amounts on the ERB contribution reports and the general ledger.

Management’s Response: The school will develop and implement policy over the review of

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CREATIVE EDUCATION PREPARATORY INSTITUTE (CONTINUED)

2012-003- ERB Contributions– (Compliance)(Continued)

monthly, quarterly & annual reports prior to them being submitted. Reports will be reviewed by the Finance Committee prior to being submitted. The Business Manager is responsible for addressing this finding. Procedures should be in place by December 31, 2015.

2013-002- Cash Management– (Material Weakness)

Condition: During our testing of revenue we noted the following items:

- A reimbursement in the amount of \$56,727.59 for Fund 24162 Title I School Improvement was posted to Fund 24120 IDEA-B Risk Pool on the general ledger. An audit adjustment was required to correct this.
- A reimbursement of \$7,578.27 for Fund 24101 Title I IASA was properly posted to fund 24101, however, the same reimbursement was also posted on the general ledger to Fund 14000 Instructional Materials. An audit adjustment was required to correct this.

Criteria: According to *Part 3 of the A-133 Compliance Supplement*, “When entities are funded on a reimbursement basis, program costs must be paid for by entity funds before reimbursement is requested from the Federal Government.” Per *OMB Circular A-110, .21 Subpart C- Post-Award Requirements*, “Recipients’ financial management systems shall provide for the following:

- Accurate, current and complete disclosure of the financial results of each federally sponsored project or program in accordance with the reporting requirements set forth in Section .52 Records that identify adequately the source and application of funds for federally sponsored activities. These records shall contain information pertaining to Federal awards, authorizations, obligations, unobligated balances, assets, outlays, income and interest.
- Effective control over and accountability for all funds, property and other assets.
- Comparison of outlays with budget amounts for each award.
- Procedures for determining the reasonableness and allowability of costs in accordance with the provisions of the applicable Federal Cost Principles and the terms and conditions of the award.
- Accounting records including cost accounting records that are supported by source documentation.”

Effect: The Schools ability to effectively manage its operations in order to meet the compliance requirement of grants was impaired. The risk that errors or fraud could go undetected was significantly increased. Double booking a revenue item misstates the financial statements and will cause cash not to properly reconcile.

Cause: The school did not reconcile grant funds at year-end to amounts budgeted.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2015**

CREATIVE EDUCATION PREPARATORY INSTITUTE (CONTINUED)

2013-002- Cash Management– (Material Weakness)(Continued)

Recommendation: We recommend the school implement policies to ensure that all reimbursement requests have the correct expenses in the correct funds and that all reimbursed funds are properly reconciled.

Management's Response: The school will work with additional business support to ensure that the school is preparing reimbursements accurately and that support is attached. Request for Reimbursements will be reviewed by the Finance Committee prior to being entered into OBMS. The school will review, revise & implement policies related to the RFRs including controls related to recording expenditures to the proper general ledger account. The school will also develop and implement policy over the review of RFRs prior to them being submitted. The Business Manager will be responsible for correcting this by December 31, 2015.

2014-001 Lack of Segregation of Duties – (Material Weakness)

Condition: The School's Business Manager, records payments on the general ledger and prepares the monthly bank reconciliation. For checks under \$1,000 the Business Manager can sign checks without another check signer. We also noted in a sample of twenty cancelled checks chosen for testing that the Business Manager signed three checks (\$15,730.15, \$7,391.60, and \$4,593.00) without another authorized signer on the checks.

Criteria: NMAC 6.20.2.12 requires that an organizational structure be in place which separates incompatible activities to preclude control by any individual.

Effect: The potential for misappropriation of funds is present when one person is responsible for all phases of an accounting process.

Cause: The School operates with a limited staff size.

Recommendation: The School should implement a system in where accounting activities are separated to the extent possible with its small staff size. The Business Manager should not be an authorized signer on checking accounts.

Management's Response: The School will develop and implement financial policies and procedures that will ensure segregation of duties. The School has already added two board members as signers on the School's checking account. The Business Manager will ensure that these policies are put in place by December 31, 2015.

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CREATIVE EDUCATION PREPARATORY INSTITUTE (CONTINUED)

2014-002 Retiree Health Care Contributions– (Compliance)

Condition: During our fieldwork we noted that for the months of October 2014 and May 2015 the monthly contributions were made after the tenth day of the subsequent month.

Criteria: Monthly contributions to the Retiree Health Care (RHC) are required to be remitted no later than the 10th of the following month per NMSA 1978 10-7C-15.

Effect: The School is not in compliance with New Mexico State Statutes in regards to Retiree Health Contributions being submitted timely.

Cause: The reports were not properly reviewed to ensure they were submitted on time.

Recommendation: We recommend that school management implement an internal control system to insure that Retiree Health Contributions are processed and paid in a timely manner.

Management's Response: The School will develop and implement policy over the review of monthly, quarterly & annual reports prior to them being submitted. Reports will be reviewed by the Finance Committee prior to being submitted. The Business Manager will ensure that procedures are in place by December 31, 2015 to correct this.

2014-003 Purchase Orders– (Significant Deficiency and Compliance)

Condition: During our testing of sixty cash disbursements we noted the following:

- There were seven instances (\$595.00, \$135.42, \$2,435.67, \$574.73, \$569.25, \$330.00 and \$478.08) in which the Purchase Order was prepared subsequent to the vendor's invoice date.
- One vendor's invoice in the amount of \$856.00 had the invoice date "whited out." It could not be determined if the Purchase Order was prepared prior to the purchase.

Criteria: Section NMAC 6.20.2.17 (A), requires 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 et seq., NMSA 1978. An internal control structure over purchasing shall be established and maintained to assure compliance with school policy, and state and federal regulations. Also, the New Mexico Manual of Procedures for Public School Accounting and Budgeting, Supplement 13 – Purchasing, states that "the preparation and execution of a duly authorized purchase order must precede the placement of any order for goods, services or construction."

Effect: Not being in compliance with state purchasing requirements places the School at risk for fraud or misuse of public funds.

Cause: School personnel did not follow established procurement policies of the School.

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PUBLIC EDUCATION DEPARTMENT
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CREATIVE EDUCATION PREPARATORY INSTITUTE (CONTINUED)

2014-003 Purchase Orders– (Significant Deficiency and Compliance)(Continued)

Recommendation: All School personnel should be reminded that initiation of a purchase order is not sufficient for ordering; that an approved Purchase Order is required per School and State guidelines.

Management’s Response: The School will set up training for all personnel so that everyone understands the School and State guidelines regarding purchasing. The Business Manager will ensure that this training occurs by December 31, 2015.

2014-005 Mileage Reimbursements– (Compliance)

Condition: For the year ended June 30, 2015, it was noted that the School reimbursed employees for mileage at rates of fifty six cents per mile and fifty one cents per mile. Both rates are above the approved rates.

Criteria: NMAC 2.42.2.11 (B) (1) states public officers and employees of state agencies shall be reimbursed for mileage accrued in the use of a private automobile or aircraft in the official discharge of official duties as follows: “unless the secretary has reduced the rates set for mileage for any class of public officials and for employees of state agencies pursuant to Section 10-8-5 (D) NMSA, 80% of the internal revenue service standard mileage rate set January 1 of the previous year for each mile traveled in a privately owned vehicle.”

Effect: The School is not in compliance with New Mexico State Statutes in regards to mileage reimbursement.

Cause: The School personnel were not familiar with the approved rate for mileage reimbursement.

Recommendation: The School should reimburse mileage at 80% of the internal revenue service standard mileage rate set January 1 of the previous year for each mile traveled in a privately owned vehicle.

Management’s Response: The School was unaware that it could only pay 80% of the IRS mileage rate set January 1 of the previous year. The school will update its policies to reflect this corrected amount. The Business Manager will ensure that this is corrected by December 31, 2015.

2015-001 Trial Balance – (Material Weakness)

Condition: For the year ended June 30, 2015, it was noted that not all expenditure amounts on the Trial Balance provided to the auditors agree to the “Approved Public School Operating Budget- Actual Expenditure Rollup Report” on file with the New Mexico Public Education Department.

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CREATIVE EDUCATION PREPARATORY INSTITUTE (CONTINUED)

2015-001 Trial Balance – (Material Weakness)(Continued)

Criteria: Per NMAC 6.20.2.11 (A) Internal Control Structure Standards, “every school district shall establish and maintain an internal control structure to provide management with reasonable assurance that assets are safe-guarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management’s authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with GAAP. The internal control structure shall include written administrative controls (rules, procedures and practices, and policies that affect the organization) and accounting controls (activity cycles, financial statement captions, accounting applications including computer systems) that are in accordance with GAAP.

Effect: The New Mexico Public Education Department may not have a proper financial reporting of the School.

Cause: School personnel were aware of account balances that required correcting. School personnel worked on these variances after submitting final numbers to the New Mexico Public Education Department.

Recommendation: The School should reconcile its final General Ledger and Trial Balance by the required New Mexico Public Education Department due date. Trial Balances provided on future audits should tie to the amounts reported to the New Mexico Public Education Department.

Management’s Response: The school will work with additional business support to ensure that the school’s final trial balance is properly reconciled for fiscal year 2016. The Business Manager will ensure that New Mexico Public Education Department deadlines are properly met with the appropriate information.

DREAM DINE CHARTER SCHOOL

2015-001 Payroll and Personnel Files – (Material Weakness and Noncompliance in Accordance with the New Mexico State Audit Rule)

Condition: During our internal control testwork over a sample of twenty-one payroll transactions we noted the following:

- Two of the employees tested had incomplete I-9s on file.
- Two employees did not have background checks on file.
- One employee background check was not submitted by the school in a timely manner.
- We noted four employees for which an employment contract was not available for our review. Consequently, we were unable to determine what the approved compensation was.
- We noted fifteen instances where Social Security and Medicare taxes were calculated on net pay but should have been calculated on gross pay.

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DREAM DINE CHARTER SCHOOL (CONTINUED)

2015-001 Payroll and Personnel Files – (Material Weakness and Noncompliance in Accordance with the New Mexico State Audit Rule)(Continued)

- We noted an instance when an employee's NMPSIA withholding were calculated using an incorrect rate.

Criteria: NMAC 6.20.2.18 requires various employee records and documentation to be maintained and available for inspection, including personnel/payroll action forms that properly document employee compensation. Additionally, the local board shall establish written payroll policies and procedures which comply with state and federal regulations on payroll as well as maintaining strict internal controls, close supervision and financial accounting in accordance with GAAP.

Pursuant 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.

Lastly, a Section 125 plan is the only means by which an employer can offer employees a choice between taxable and nontaxable benefits.

Effect: The School is not in compliance with its payroll policies and procedures and NMAC 6.20.2.18 and is not in compliance with 22-10-.3.3 NMSA 1978, as it failed to obtain required background checks. Also, the School is not in compliance with Internal Revenue Service payroll tax requirements.

Cause: The School's policies and procedures are not being enforced. Payroll taxes are being withheld as if a Section 125 compliance cafeteria plan is in place. However, no such formal determination has been made.

Recommendation: Personnel files should be periodically reviewed to ensure all required personnel file documents have been obtained and are complete and accurate, including benefit election forms and compensation documentation. Internal controls should be implemented to ensure taxes and withholdings are correctly calculated. Policies and procedures governing background checks should be strictly enforced.

Management's Response: Dream Dine' Charter School was in their first year of operations. New procedures are being implemented to ensure that all files are reviewed and that the checklist of documents is included in the file. A Section 125 Plan will also be put in place for the school. The business manager and director are responsible for making sure these procedures are in place and they will be put into place immediately. The review of the files will be an ongoing process.

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Year Ended June 30, 2015**

DREAM DINE CHARTER SCHOOL (CONTINUED)

2015-002 Internal Control Structure – (Noncompliance in Accordance with the New Mexico State Audit Rule)

Condition: During our internal control test work over twenty-five disbursements, we noted one disbursement was paid for an amount greater than the invoice.

Criteria: Per NMAC 6.20.2.11 (A) Internal Control Structure Standards, “every school district shall establish and maintain an internal control structure to provide management with reasonable assurance that assets are safe-guarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management’s authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with GAAP. The internal control structure shall include written administrative controls (rules, procedures and practices, and policies that affect the organization) and accounting controls (activity cycles, financial statement captions, accounting applications including computer systems) that are in accordance with GAAP.”

Effect: The School over paid for goods.

Cause: The check was made out in the amount of the purchase order and not based off of an actual invoice. The actual cost of the goods ended up being less than the amount on the PO.

Recommendation: Ensure that checks agree to invoices and are adequately reviewed prior to disbursements being made to vendors.

Management’s Response: Dream Dine’ Charter School was in their first year of operations. New procedures are being implemented to ensure that all purchases go through a more stringent process of review prior to making payment. If purchases are picked up after a quote was prepared for payment a review of the receipt will be reviewed internally to make sure that the purchase agreed to the quote. The business manager and director are responsible for making sure these procedures are in place and they will be put into place immediately. Training of these procedures will be ongoing.

EAST MOUNTAIN HIGH SCHOOL

2014-002 Purchase Orders Subsequent to Invoice – (Significant Deficiency)

Condition: During our testing of sixty cash disbursements, there were five instances (\$2,025, \$1,995, \$2,875, \$2,093 and \$10,764) in which the purchase order was prepared subsequent to the vendor’s invoice date. No progress has been made in the current year.

Criteria: Section NMAC 6.20.2.17 (A), requires 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 et seq., NMSA 1978. An internal control structure over purchasing shall be established and maintained to assure compliance with school policy, and state

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EAST MOUNTAIN HIGH SCHOOL (CONTINUED)

2014-002 Purchase Orders Subsequent to Invoice – (Significant Deficiency)(Continued)

and federal regulations. Also, the New Mexico Manual of Procedures for Public School Accounting and Budgeting, Supplement 13 – Purchasing, states that “the preparation and execution of a duly authorized purchase order must precede the placement of any order for goods, services or construction.”

Effect: Not being in compliance with state purchasing requirements places the School at risk for fraud or misuse of public funds.

Cause: School personnel did not follow established procurement policies of the School.

Recommendation: All School personnel should be reminded that initiation of a purchase order is not sufficient for ordering; that an approved purchase order is required per School and State guidelines.

Management Response: We will continue to hold in-service trainings for staff on the proper steps to follow for purchasing. The Business Manager will be responsible for coordinating the training. Training will be completed by December 31st.

2014-003 Mileage Reimbursements –(Compliance)

Condition: For the year ended June 30, 2015, it was noted that East Mountain High School reimbursed employees for mileage at a rate of fifty six cents per mile. No progress has been made in the current year.

Criteria: NMAC 2.42.2.11 (B) (1) states public officers and employees of state agencies shall be reimbursed for mileage accrued in the use of a private automobile or aircraft in the official discharge of official duties as follows: “unless the secretary has reduced the rates set for mileage for any class of public officials and for employees of state agencies pursuant to Section 10-8-5 (D) NMSA, 80% of the internal revenue service standard mileage rate set January 1 of the previous year for each mile traveled in a privately owned vehicle.”

Effect: The School is not in compliance with New Mexico State Statutes in regards to mileage reimbursement.

Cause: The School contends that it is a Local Public Body and not a State Agency. As a Local Public Body, the school contends that it may reimburse mileage at the full amount authorized by the IRS. The New Mexico Public Education Department (PED) has indicated to the auditors that charter schools chartered under PED are a component unit of PED and should reimburse mileage at the rate approved for a State Agency.

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EAST MOUNTAIN HIGH SCHOOL (CONTINUED)

2014-003 Mileage Reimbursements –(Compliance)(Continued)

Recommendation: The School should reimburse mileage at 80% of the internal revenue service standard mileage rate set January 1 of the previous year for each mile traveled in a privately owned vehicle.

Management Response: We will follow the directions of our Authorizer in paying miles traveled in a privately owned vehicle. The Business Manager hopes to have a determination by December 31st.

2015-001 Budget Adjustment Requests (BAR) (Compliance)

Condition: We noted the School budgeted more cash carryover of \$18,456 than the School had available for the Operational Fund.

Criteria: In accordance with Public Education Department (PED) requirements and 6- 6-6 NMSA 1978, the School is required to follow PED procedures relating to Budget Adjustment Requests. This includes ensuring that BAR's are included in final budget amounts reported to Schools PED report. Per NMAC 6.20.2.10.B, School districts shall submit budget adjustment requests for the operating budget to the department for budget increases, budget decreases, transfers between functional categories, and transfers from the emergency reserve account. Expenditures shall not be made by the school district until budget authority has been established and approval received from the department. Budget adjustments shall not be incorporated into the school district's accounting system until approval is received by the department.

Effect: The school is not in compliance with State Statutes.

Cause: The budget was not being properly monitored.

Recommendation: The School must be familiar with Public Education Department (PED) requirements and 6-6-6 NMSA 1978 and follow the requirements for the budgetary system.

Management Response: We agree that we should have submitted a decrease BAR in the amount of \$18,456. In the future we will be more diligent to make sure BARs are submitted when fund balance(s) is adjusted. In fiscal year 2016, the Business Manager will post the necessary BARs by the PED deadline dates, if needed.

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ESTANCIA VALLEY CLASSICAL ACADEMY

2015-001 Excess of Expenditures over Budget (Non-Compliance in Accordance with the New Mexico State Audit Rule)

Condition: The School had an expenditure function where actual expenditures exceeded budgetary authority:

Operational Fund
Instruction - \$3,394

Criteria: Per NMAC 6.20.2.9 (A) every school district shall follow budget requirements stated in Sections 22-8-5 through 22-8-12.2 NMSA 1978, and procedures of the department in preparing, submitting, maintaining and reporting budgetary information. Budgetary control shall be at the function level. Over-expenditure of a function shall not be allowed.

Effect: The School is not in compliance with NMAC 6.20.2.9 and the School's actual expenditures in the above function exceeded the total approved budget expenditures, which could result in deficit fund balances.

Cause: Budgetary controls were not in place to adequately monitor and regularly compare budget to actual results. As a result, measures were not taken to avoid or minimize the amount that actual expenditures exceeded the approved budget for the above fund.

Recommendation: Budget adjustment requests should be presented and approved before expending funds in excess of the budget. Controls should be implemented to ensure that budget amounts are compared to actual on a regular basis and the budget effectively utilized for controlling expenses and managing cash flow.

Management's Response: The Business Manager along with the finance committee will review expenditure line items on a monthly basis. All BARs will be submitted on a monthly basis as required to ensure that expenditure line items do not exceed budget authority. This process will be implemented immediately.

2015-002 Internal Control Structure over Payroll (Non-Compliance in Accordance with the New Mexico State Audit Rule and Significant Deficiency)

Condition: During our review of twenty-five payroll disbursements we noted the following:

- Four instances where employee pre-tax payroll deductions were not deducted prior to the assessment of Medicare taxes.
- One instance where an employee elected and was receiving family dental coverage; however, the employee was charged at the two-party rate. This resulted in the employee being under-charged for dental insurance. The employee should have been charged \$2.83 per pay period however the employee was charged \$2.08 per pay period.

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ESTANCIA VALLEY CLASSICAL ACADEMY (CONTINUED)

2015-002 Internal Control Structure over Payroll (Non-Compliance in Accordance with the New Mexico State Audit Rule and Significant Deficiency)(Continued)

- Two instances where an employee exempt from the Educational Retirement Act was incorrectly assessed ERB contributions. For the payroll periods tested, each employee was assessed \$13.80 and \$23.71, respectively.

Criteria: NMAC 6.20.2.12 requires every school to conduct independent checks on performance and proper valuation of recorded amounts, such as clerical checks, reconciliations, comparison of assets with recorded accountability, computer programmed controls, management review of reports that summarize the detail of account balances and user review of computer generated reports. The School is also required to maintain an internal control structure to demonstrate the ability to record, process, summarize and report financial data. In addition, the internal control structure shall demonstrate that the school identifies applicable law and regulations, and that procedures are designed to provide reasonable assurance that the school complies with those laws and regulations.

Effect: The School is not in compliance with NMAC 6.20.2.12. In addition, the School and the employees are not paying the correct amount of taxes and benefits.

Cause: Internal controls are not in place to ensure deductions are properly entered into the payroll system.

Recommendation: Implement internal controls to ensure deductions are properly entered into the payroll system. A review should be performed for all employees to ensure deductions are properly calculated and entered.

Management's Response: All payroll deductions are currently under individual review and will be corrected immediately. All employee deductions that were over-deducted will be reimbursed to the employee no later than November 30, 2015. All IRS, ERB, NMPSIA and Legacy deductions will be properly reviewed and reconciled on a monthly basis. The business manager will be responsible for implementing these changes.

EXPLORE ACADEMY

2015-001 Lack of Support For Payroll Salary Calculations (Significant Deficiency)

Condition: Through our payroll testwork we noted the following:

- We were unable to determine how the pay was calculated for three out the 25 payroll transactions tested.
- Management was unable to provide support for two out of 25 raises granted to employees.
- Support for raises could not be provided for one out of the 16 payroll registers tested.

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EXPLORE ACADEMY (CONTINUED)

2015-001 Lack Of Support For Payroll Salary Calculations (Significant Deficiency)(Continued)

- Explore Academy stated they adopted and utilized the Rio Rancho Public School's Salary Schedule; however, the approved board minutes stated Albuquerque Public School's Salary Schedule was to be adopted.

Criteria: 6.20.2.18 NMAC states, schools must maintain "strict internal controls, supervision, and financial accounting in accordance with GAAP" over its payroll process. Furthermore, schools must have personnel/payroll action forms and pay or position change notices available for inspection.

Effect: Explore Academy's employees could be under or over paid. Furthermore, incorrect salary payments could go unnoticed.

Cause: The proper level of supporting documentation was not maintained and there was breakdown in communication lines.

Recommendation: Explore Academy's Business Manager should maintain all support for pay raises and pay rate calculations. Explore Academy's Principal should review and approve all payroll registers. Additionally, Explore Academy should ensure its salary schedule is in line with the board adopted schedules.

Management Response: Additional controls of maintaining all supporting documentation of contracts and any contract changes have been established. The administrative staff is currently looking for the minutes reflecting the adoption of the RRPS Salary Schedule.

2015-002 Review and Approval of Purchases (Other Matter)

Condition: During our cash disbursement testwork we noted four out of 25 items totaling \$23,415 in which the purchase order and purchase requisition were created and approved after the purchase had been made. One of these four purchases in the amount of \$21,791 related to a prior purchase order that had been created prior to the fiscal year; however, the approved purchase order could not be provided by management.

Criteria: Explore Academy's Internal Control Policies/Procedures in effect for School Year 2014-15 states in the Internal Controls – Purchases Section that a purchase cannot be made without an approved purchase order.

Effect: Unbudgeted, unnecessary, or unwanted purchases could be made.

Cause: There was a breakdown in the internal controls surrounding the cash disbursements process.

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EXPLORE ACADEMY (CONTINUED)

2015-002 Review and Approval Of Purchases (Other Matter)(Continued)

Recommendation: Purchase requisitions and purchase orders should be created and approved before any purchases are made.

Management Response: As stated in the criteria, explore academy has proper controls in place. These controls have been re-emphasized to staff to ensure compliance throughout the year.

2015-003 Expenditures Exceed Budget (Other Matter)

Condition: The Explore Academy has expenditures where actual expenditures exceeded budgetary authority:

Fund	Excess Expenditures Appropriations
Operational 11000	
Operation of Non-instructional services	\$ (17,497)

Criteria: According to 6.20.2.9 NMAC, budgetary control shall be at the function level. Over-expenditure of a function shall not be allowed.

Effect: The Explore Academy is non-compliant with State law.

Cause: A budget adjustment request was not submitted to account for additional expenditures incurred for the Operational fund.

Recommendation: We recommend that the Explore Academy establish a policy of budgetary review at year-end to make the necessary budgetary adjustments.

Management Response: The finance committee and entire governing council have been made aware of budgetary issues, and will continue to be advised on such issues when they arise to ensure full compliance.

GILBERT L. SENA

2014-001 Supporting Documentation – (Significant Deficiency)

Condition: The supporting documentation for two (\$32 & \$43) of the five travel disbursements selected for testing could not be located by School personnel. No progress has been made in the current year.

Criteria: Per NMAC 6.20.2.11 (A) Internal Control Structure Standards, "every school district shall

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GILBERT L. SENA (CONTINUED)

2014-001 Supporting Documentation – (Significant Deficiency)(Continued)

establish and maintain an internal control structure to provide management with reasonable assurance that assets are safe-guarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with GAAP. The internal control structure shall include written administrative controls (rules, procedures and practices, and policies that affect the organization) and accounting controls (activity cycles, financial statement captions, accounting applications including computer systems) that are in accordance with GAAP."

Effect: The School could be paying for expenditures that were not properly authorized.

Cause: The School has had three Business Managers in the period between June 30, 2014 and the time that the audit was conducted. During the transitions between Business Managers, documentation was not properly maintained.

Recommendation: The School should put in place internal controls so that documentation for all financial activity is available for examination both by school personnel and external parties such as the auditors.

Management's Response: Gilbert L. Sena Charter High School currently has an established policy for procurement and the maintenance for the records from procurement. Gilbert L. Sena Charter High School experienced a fluctuation in its listed Business Manager during FY2015. Management is confident that given stability in the business office that crucial backup documents have been maintained and accounted for properly. The Business Manager will ensure that internal controls are in place to correct this finding by December 31, 2015.

2015-001 Penalties/Fees - (Compliance)

Condition: During our test work we noted the School incurred penalties of \$4,786 for late payroll tax deposits and \$99.93 for late payment of a vendor invoice.

Criteria: All funds allocated to the School are to be spent on allowable expenditures in accordance with NMAC 6.20.2. Per OMB Circular A-87, fines, penalties, damages or other settlements resulting from violations of, or failure of the governmental unit to comply with, Federal, State, local or Indian tribal laws and regulations are unallowable. 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.

Effect: These penalties are unnecessary costs paid by the School. The school could be misusing funds intended for the benefit of the students.

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PUBLIC EDUCATION DEPARTMENT
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Year Ended June 30, 2015**

GILBERT L. SENA (CONTINUED)

2015-001 Penalties/Fees - (Compliance)(Continued)

Cause: Due dates for payroll taxes and vendor invoices were not being properly monitored.

Recommendation: The School should establish a policy to monitor reports and payments to ensure submission is timely and no further penalties are incurred.

Management's Response: Gilbert L. Sena Charter High School has implemented a process to review all due dates for payroll taxes and vendor invoices to ensure that required amounts are being paid and processed correctly. The Business Manager will ensure that internal controls are in place to correct this finding by December 31, 2015.

2015-002- Budget Adjustment Requests (BAR) (Compliance)

Condition: We noted the School budgeted more cash carryover of \$4,478 than the School had available for the SB-9 Capital Improvements Fund.

Criteria: In accordance with Public Education Department (PED) requirements and 6- 6-6 NMSA 1978, the School is required to follow PED procedures relating to Budget Adjustment Requests. This includes ensuring that BAR's are included in final budget amounts reported to Schools PED report. Per NMAC 6.20.2.10.B, School districts shall submit budget adjustment requests for the operating budget to the department for budget increases, budget decreases, transfers between functional categories, and transfers from the emergency reserve account. Expenditures shall not be made by the school district until budget authority has been established and approval received from the department. Budget adjustments shall not be incorporated into the school district's accounting system until approval is received by the department.

Effect: The school is not in compliance with State Statutes.

Cause: The budget was not being properly monitored.

Recommendation: The School must be familiar with Public Education Department (PED) requirements and 6-6-6 NMSA 1978 and follow the requirements for the budgetary system.

Management's Response: The audited financials from the prior year have still yet to be released by the Office of the State Auditor. These financials normally serve as our backup to the BAR submission to the PED. Without the audit being released we have no acceptable backup to provide to PED. The Business Manager will be responsible for posting the necessary BAR for cash carryover with PED. This will be completed by December 31st.

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PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2015**

GILBERT L. SENA (CONTINUED)

2015-003 Purchase Orders Subsequent to Invoice – (Significant Deficiency)

Condition: During our testing of sixty cash disbursements we noted there were fourteen instances (totaling \$50,597.16) in which the Purchase Order was prepared subsequent to the vendor's invoice date.

Criteria: Section NMAC 6.20.2.17 (A), requires 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 et seq., NMSA 1978. An internal control structure over purchasing shall be established and maintained to assure compliance with school policy, and state and federal regulations. Also, the New Mexico Manual of Procedures for Public School Accounting and Budgeting, Supplement 13 – Purchasing, states that “the preparation and execution of a duly authorized purchase order must precede the placement of any order for goods, services or construction.”

Effect: Not being in compliance with state purchasing requirements places the School at risk for fraud or misuse of public funds.

Cause: School personnel did not follow established procurement policies of the School.

Recommendation: All School personnel should be reminded that initiation of a purchase order is not sufficient for ordering; that an approved Purchase Order is required per School and State guidelines.

Management's Response: Gilbert L. Sena Charter High School has internal control procedures established. These procedures will be emphasized with staff. An approved Purchase Order will be in place before placing an order with a vendor. The Business Manager will ensure that internal controls are in place to correct this finding by December 31, 2015.

2015-004 Check Signing – (Compliance)

Condition: During our testing of sixty cash disbursements, there was one instance in the amount of \$430.18 where a check only had one authorized signer.

Criteria: Section NMAC 6.20.2.17 (A), requires 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 et seq., NMSA 1978. An internal control structure over purchasing shall be established and maintained to assure compliance with school policy, and state and federal regulations. The School has established an internal policy which requires all checks to be signed by two authorized check signers.

Effect: The School was not in compliance with its own internal control procedures. Non-compliance with established internal controls places the School at risk for fraud or misuse of public funds.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
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Year Ended June 30, 2015**

GILBERT L. SENA (CONTINUED)

2015-004 Check Signing – (Compliance)(Continued)

Cause: School personnel did not follow established procurement policies of the School.

Recommendation: The School should follow its own internal controls and ensure that all checks be signed by two authorized check signers.

Management's Response: Gilbert L. Sena Charter High School has adopted policies and procedures that currently address this finding. These policies and procedures will be reviewed and reinforced with the appropriate personnel. The Business Manager will ensure that internal controls are in place to correct this finding by December 31, 2015.

THE GREAT ACADEMY

2015-001 Mileage Reimbursements – (Compliance)

Condition: For the year ended June 30, 2015, it was noted that the School reimbursed a board member for mileage at a rate of fifty six cents per mile. The over-reimbursement totaled \$22.80.

Criteria: NMAC 2.42.2.11 (B) (1) states public officers and employees of state agencies shall be reimbursed for mileage accrued in the use of a private automobile or aircraft in the official discharge of official duties as follows: "unless the secretary has reduced the rates set for mileage for any class of public officials and for employees of state agencies pursuant to Section 10-8-5 (D) NMSA, 80% of the internal revenue service standard mileage rate set January 1 of the previous year for each mile traveled in a privately owned vehicle."

Effect: The School is not in compliance with New Mexico State Statutes in regards to mileage reimbursement.

Cause: The School contends that it is a Local Public Body and not a State Agency. As a Local Public Body, the school contends that it may reimburse mileage at the full amount authorized by the IRS. The New Mexico Public Education Department (PED) has indicated to the auditors that charter schools chartered under PED are a component unit of PED and should reimburse mileage at the rate approved for a State Agency.

Recommendation: The School should reimburse mileage at 80% of the internal revenue service standard mileage rate set January 1 of the previous year for each mile traveled in a privately owned vehicle.

Management's Response: During fiscal year 2014-2015, there was only one mileage reimbursement for a board member to attend a training. The rate was at fifty one cents per mile not fifty six cents per mile. The school is now aware of this mileage rate change and will update our mileage reimbursement rates

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2015

THE GREAT ACADEMY (CONTINUED)

2015-001 Mileage Reimbursements – (Compliance)(Continued)

to 80% of the IRS standard mileage rate. The business manager is responsible for this and the mileage reimbursements will be updated by December 31st.

2015-002 Budgetary Conditions – (Compliance)

Condition: The School also budgeted in excess of beginning cash available.

Operational Fund 11000	\$133,292
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Criteria: Sound financial management and 6.20.2.9 (A) NMAC and 22-8-5 through 22- 8-12.2 NMSA 1978 require that budgets not be exceeded at the legal level of control. For school districts the function is the legal level of control.

Effect: The school is out of compliance with State Law and the control established by the use of budgets has been compromised.

Cause: A budget adjustment request was not submitted for expenditures in excess of beginning cash in the Operational Fund.

Recommendation: The School should establish a policy of budgetary review at year-end and make the necessary budgetary adjustments.

Management's Response: The GREAT Academy received a \$190,833.93 decrease in SEG and on November 12, 2014, NMPED sent the school an email requesting that the school needed to do a BAR to move the reduced amount from the expenditure budget into function 2900 object 58215 – Restricted Expenditures budget line so that the money cannot be spent. The school did BAR 536-000-1415-0003-T to move the budget and did not spend the money but was not aware that an additional BAR needed to be done to completely move that amount out of the budget. The school will monitor the budget closely to avoid this issue in the future. The business manager will post the necessary BARs by the PED deadlines.

HEALTH LEADERSHIP HIGH SCHOOL

2015-001 Cash Receipts (Noncompliance in Accordance with the New Mexico State Audit Rule)

Condition: During testwork over cash receipts we noted one instance where cash receipts exceeded \$50 on September 23, 2014, but were not deposited until October 28, 2014. The total deposit was \$430.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2015**

HEALTH LEADERSHIP HIGH SCHOOL (CONTINUED)

2015-001 Cash Receipts (Noncompliance in Accordance with the New Mexico State Audit Rule)(Condition)

Criteria: The School's policy states that, "when the receipts total less than \$50, they will remain in the possession of the business office, locked up in a safe or locked cabinet until the \$50 threshold is met. A deposit will occur once receipts total \$50 or at least once per week, whichever comes first.

Effect: The School is not in compliance with its policies and procedures governing cash receipts.

Cause: Procedures were not in place to enforce the School's policies and procedures with respect to cash receipts.

Recommendation: Ensure deposits are made in accordance with the School's policies and procedures governing cash receipts.

Management's Response: The school was on an extended Fall break during October and the deposit was locked in a fire-proof safe while the school was closed. Management agrees with this finding and will ensure that deposits take place prior to the school closing for extended breaks.

2015-002 Payroll Transactions (Noncompliance in Accordance with the New Mexico State Audit Rule)

Condition: During internal control testwork over a sample of 25 payroll transactions, we noted the following:

- Four instances where an I-9 was either not on file or was not properly completed.
- An instance where a background check was not available for our review.

Criteria: Background and I-9 forms should be completed for all individuals hired for sensitive positions and in accordance with written policies and procedures as established by the Governing Council.

NMAC 6.20.2.18 requires various employee records and documentation to be maintained and available for inspection, including personnel/payroll action forms that properly document employee compensation.

Effect: The School is not in compliance with requirements to have employee background checks completed and to ensure properly completed I-9 forms are obtained for each employee.

Cause: The School's policies and procedures are not being enforced.

Recommendation: Personnel files should be periodically reviewed to ensure all required personnel file documents have been obtained and are complete and accurate, including benefit election forms, compensation documentation, I-9's and background checks.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
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Year Ended June 30, 2015

HEALTH LEADERSHIP HIGH SCHOOL (CONTINUED)

2015-002 Payroll Transactions (Noncompliance in Accordance with the New Mexico State Audit Rule)(Continued)

Management's Response: Management agrees with this finding and has corrected the files in question. All employee files will be reviewed periodically to ensure that all required documentation is on file.

2015-003 Procurement Code (Noncompliance in Accordance with the New Mexico State Audit Rule)

Condition: The School did not follow proper procurement procedures when it purchased a copier. The cost of the copier was approximately \$12,000. The School was required to obtain three written quotes but only obtained one.

Criteria: The School's purchasing policies and procedures require that all goods or nonprofessional services for \$10,000 to \$20,000 require three written quotes.

Effect: The School could be overpaying for services and/or goods.

Cause: Controls are not in place to ensure the School's purchasing policies and procedures are being followed.

Recommendation: For the procurement of goods and nonprofessional services of \$10,000 to \$20,000, the School should solicit no fewer than three businesses via written requests containing the specifications for the procurement. Such procurement documentation should be filed and maintained.

Management's Response: The business office obtained two quotes for the copier and did purchase the lower price of the two. Management agrees with this finding and will ensure that purchasing policies and procedures are followed.

2015-004 ERB Contributions and Reports (Noncompliance in Accordance with the New Mexico State Audit Rule)

Condition: The New Mexico Educational Retirement Board (ERB) instructions for preparing the contribution form 100 report indicates that July and August accrued payrolls, as applicable, are to be included in the June form 100 report. The June 2015 report submitted by the School did not include the July 2015 accrued payroll information. Further, the ERB requires that the contributions covered by the report are to be transmitted no later than the 15th of the month following the month covered by the report. The contributions related to the July 2015 accrued payrolls were transmitted in September 2015.

Criteria: ERB instructions for preparing contribution form 100 report.

Effect: The School is not in compliance with the ERB rules for transmitting and reporting contributions and may be subject to penalties.

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PUBLIC EDUCATION DEPARTMENT
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Year Ended June 30, 2015**

HEALTH LEADERSHIP HIGH SCHOOL (CONTINUED)

2015-004 ERB Contributions and Reports (Noncompliance in Accordance with the New Mexico State Audit Rule)(Continued)

Cause: The School's business manager was unaware of this requirement.

Recommendation: Ensure ERB contributions and reports are completed in accordance with the ERB rules and regulations.

Management's Response: Management was unclear as to the summer payroll requirements as no summer payrolls had ever occurred at HLHS prior to July 2015. Management agrees with this finding and will remit summer payroll contributions with the June report.

2015-005 Budgetary Conditions (Noncompliance in Accordance with the New Mexico State Audit Rule)

Condition: The School did not properly budget prior year cash carry-over in the Partners for Developing Futures fund 26208 and the McCune Charitable Foundation fund 29114. Prior year cash carry-over was \$6,724 which was insufficient to cover the current year final budgeted deficit of \$18,630 in the Partners for Developing Futures fund. While The McCune Charitable Foundation prior year cash carry-over was \$53 which was insufficient to cover the current year final budgeted deficit of \$16,865 in the McCune Charitable Foundation fund.

Criteria: Per NMAC 6.20.2.9 (A) every school district shall follow budget requirements stated in Sections 22-8-2 through 22-8-12.2, NMSA 1978, and procedures of the department in preparing, submitting, maintaining and reporting budgetary information.

Effect: The School is out of compliance with New Mexico state statute regarding budgetary information and the controls established by the use of budgets has been compromised, which resulted in deficit fund balances and unnecessary usage of funds to cover the budgeted over expenditures.

Cause: The budget adjustment request did not consider prior year carry-over amounts for the above funds and budget adjustment requests were not prepared and submitted to PED.

Recommendation: We recommend that the School establish a policy where the budget is reviewed at the end of each quarter and give consideration to deficits and ensure that designated cash is available to cover such overages.

Management's Response: Management understands that budget authority obtained by the PED is adjusted based on the cash balances published in the financial statements from the prior year. This year the audited financial statements were delayed and not available for review, however, management closely monitors the budget and the cash position of every fund source and ensures that neither the budget authority nor the actual unaudited cash balance is exceeded. In both instances, the McCune Fund and Partner's for Developing Futures Fund were not over expended with regard to budget

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2015**

HEALTH LEADERSHIP HIGH SCHOOL (CONTINUED)

2015-005 Budgetary Conditions (Noncompliance in Accordance with the New Mexico State Audit Rule)(Continued)

authority or actual cash on hand. There was no financial risk associated with the actual management of these funds.

2015-006 Collateral Requirements (Noncompliance in Accordance with the New Mexico State Audit Rule)

Condition: The School's did not have a pledged collateral agreement in place during fiscal year 2015.

Criteria: Section 6-10-17, NMSA 1978, requires pledged collateral for deposits in banks, savings and loan associations, or credit unions, in an aggregate amount equal to one-half of the amount of public money in each account. No security is required for the deposit of public money that is insured by the Federal Deposit Insurance Corporation (FDIC) or the National Credit Union (NCU) shares insurance.

Effect: Of the School's bank deposit balance of \$560,646 at June 30, 2015, \$250,000 was insured by the FDIC and the remaining amount of \$310,646 was uninsured and uncollateralized. Section 6-10-17, NMSA 1978 requires that half of the uninsured and uncollateralized amount, or \$155,323, to be collateralized.

Cause: Management was under the belief that a pledged collateral agreement was in place for the year ending June 30, 2015.

Recommendation: A pledged collateral agreement should be in place at each financial institution used by the School that collateralizes at least one-half of the bank balance not already insured or collateralized.

Management's Response: Management agrees with this finding and has a pledge agreement in place as of October 2015.

HEALTH SCIENCES ACADEMY

2015-001 Internal Control Over Purchasing – (Significant Deficiency)

Condition: During our testing of sixty cash disbursements we noted there were thirteen instances (totaling \$36,850.57) in which the Purchase Order was prepared subsequent to the vendor's invoice date. We noted two instances (\$8,617.32 and \$14,350.00) where the disbursements were not posted to the proper general ledger code. We also noted two instances (\$30,000.00 and \$1,760.00) where there was not sufficient supporting documentation to determine if the expenditures were for the proper amounts.

Criteria: Section NMAC 6.20.2.17 (A), requires that each school shall establish and

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2015**

HEALTH SCIENCES ACADEMY (CONTINUED)

2015-001 Internal Control Over Purchasing – (Significant Deficiency)(Continued)

implement written policies and procedures for purchasing which shall be in compliance with the Procurement Code, Section 13-1-21 et seq., NMSA 1978. An internal control structure over purchasing shall be established and maintained to assure compliance with school policy, and state and federal regulations. Also, the New Mexico Manual of Procedures for Public School Accounting and Budgeting, Supplement 13 – Purchasing, states that “the preparation and execution of a duly authorized purchase order must precede the placement of any order for goods, services or construction.”

Effect: Not being in compliance with state purchasing requirements places the School at risk for fraud or misuse of public funds.

Cause: School personnel did not follow established procurement policies of the School.

Recommendation: All School personnel should be reminded that initiation of a purchase order is not sufficient for ordering; that an approved Purchase Order is required per School and State guidelines. Cash disbursements should be reviewed monthly to ensure that they were properly coded to the general ledger. The school should maintain proper documentation on all cash disbursements.

Management’s Response: The School has ceased operations. Management was not available to respond to audit findings.

2015-002 Personnel Files – (Compliance)

Condition: In a sample of ten personnel files selected for testing, there were two personnel files missing evidence of both a background check and evidence of proper certifications.

Criteria: NMAC 6.20.2.18 requires that schools maintain and have available for inspection the following employee record documentation: employment contracts (including increments), personnel/payroll action forms, certification records, employment eligibility verification (Federal Form I-9), federal and state withholding certificates, pay deduction authorizations, pay or position change notices, Educational Retirement Act plan application, and direct deposit authorizations.

Effect: The School is not in compliance with New Mexico State Statutes in regards to employee record documentation.

Cause: Personnel files were not being properly maintained.

Recommendation: The School should review all personnel files to ensure that required documentation required by NMAC 6.20.2.18 is available.

Management’s Response: The School has ceased operations. Management was not available to respond to audit findings.

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PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2015**

2015-003 Mileage Reimbursements – (Compliance)

Condition: For the year ended June 30, 2015, it was noted that the School reimbursed employees for mileage at a rate of \$0.565 cents per mile.

Criteria: NMAC 2.42.2.11 (B) (1) states public officers and employees of state agencies shall be reimbursed for mileage accrued in the use of a private automobile or aircraft in the official discharge of official duties as follows: “unless the secretary has reduced the rates set for mileage for any class of public officials and for employees of state agencies pursuant to Section 10-8-5 (D) NMSA, 80% of the internal revenue service standard mileage rate set January 1 of the previous year for each mile traveled in a privately owned vehicle.”

Effect: The School is not in compliance with New Mexico State Statutes in regards to mileage reimbursement.

Cause: School personnel were not aware of the 80% provision of the Travel and Per Diem Act.

Recommendation: The School should reimburse mileage at 80% of the internal revenue service standard mileage rate set January 1 of the previous year for each mile traveled in a privately owned vehicle.

Management’s Response: The School has ceased operations. Management was not available to respond to audit findings.

2015-004 Budgetary Condition – (Compliance)

Condition: The School had a fund where actual expenditures exceeded budgetary authority:

Instructional Materials 14000	\$2,538
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Criteria: Sound financial management and 6.20.2.9 (A) NMAC and 22-8-5 through 22- 8-12.2 NMSA 1978 require that budgets not be exceeded at the legal level of control. For school districts the function is the legal level of control.

Effect: The school is out of compliance with State Law and the control established by the use of budgets has been compromised.

Cause: A budget adjustment request was never submitted to account for the additional expenditures incurred.

Recommendation: The School should establish a policy of budgetary review at year-end and make the necessary budgetary adjustments.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
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Year Ended June 30, 2015**

HEALTH SCIENCES ACADEMY (CONTINUED)

2015-004 Budgetary Condition – (Compliance)(Continued)

Management's Response: The School has ceased operations. Management was not available to respond to audit findings.

HORIZON ACADEMY WEST

2014-001 Payroll Transactions (Noncompliance in Accordance with the New Mexico State Audit Rule)

Condition: During our testwork over a sample of 25 payroll transactions, we noted three employees whose background check was not on file.

Criteria: Per NMAC 6.20.2.18 the local board shall establish written payroll policies and procedures which comply with state and federal regulations on payroll as well as maintaining strict internal controls, close supervision and financial accounting in accordance with GAAP. School districts shall maintain and have available for inspection the following employee record documentation: employment contracts (including increments), personnel/payroll action forms, certification records, and employment eligibility verification.

Effect: The School is not in compliance with NMAC 6.20.2.18 in regards to maintaining employee records and documentation.

Cause: Internal controls were not in place to ensure required documentation is obtained and maintained for all employees.

Recommendation: Personnel files should be periodically reviewed to ensure all required personnel file documents have been obtained and are complete and accurate. The School should ensure controls are in place to obtain required payroll documents when employees initially begin employment.

Management's Response: Management will review all files and verify all background checks are on file. The background checks noted above have been received and placed in employee file. The office manager will ensure this is completed by October 2015.

2014-005 Violation of the New Mexico Anti-Donation Clause (Noncompliance, Other Matters)

Condition: The School has entered into a Pledge and Covenant Agreement with a third party lender to secure debt of a legally separate entity (the Horizon Academy Foundation, a 501(c)(3) organization). Under the terms of the debt agreement, the lender required the School to pledge, transfer, and grant a security interest in and assign to the lender all funds, monies, grants or other distributions received by the School from the State of New Mexico.

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PUBLIC EDUCATION DEPARTMENT
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HORIZON ACADEMY WEST (CONTINUED)

2014-005 Violation of the New Mexico Anti-Donation Clause (Noncompliance, Other Matters)(Continued)

Furthermore, the Pledge and Covenant Agreement identified that the School establish and maintain a depository account with the lender into which all education funding received by the School from the Public Education Department (including Equalization Guarantee Funding, Lease Reimbursement Program payments, and other special funds and federal pass-through funding constituting Adjusted Pledged Revenues) shall be deposited into. The lender is authorized to withdraw from this account upon default by the Horizon Academy Foundation.

Criteria: Pursuant to Article IX, Section 14 of the New Mexico State Constitution (Anti-Donation Clause), neither the state nor any county, school district or municipality shall directly or indirectly lend or pledge its credit or make any donation to or in aid of any person, association or public or private corporation.

Effect: As the School has pledged revenues to secure debt payments on an obligation not owed by the School and is in violation of state statute. As a result of this violation, the debt could be considered invalid.

Cause: The School was unaware that the securitization of debt was a violation of state statute. Furthermore, the School did not seek approval by the Public Education Department to ensure compliance with New Mexico State Law.

Recommendation: We recommend that the School seek immediate assistance from the Public Education Department for guidance on communication between the Foundation and Lender to re-negotiate the terms of the debt agreement to exclude any future pledging by the School. It is further recommended that the revised and final debt agreement be reviewed and accepted by the Public Education Department General Counsel to ensure compliance with New Mexico State Law.

Management's Response: Management disagrees with this finding. See response from FY14 audit.

Auditor Rebuttal: Our determination that the School violated the Anti-Donation Clause was based on the "plain" language in the Pledge and Covenant Agreement entered into by the School and the Bank. While we did make inquiries of the New Mexico Public Education Department's (PED) legal counsel, their response was only one component in our decision to include this as a finding and the inclusion of this finding was ultimately the decision of the auditor. Generally Accepted Government Auditing Standards (GAGAS) requires auditors to inquire of management and others regarding whether an entity is in compliance with various laws and regulations applicable to the entity in addition to discussing compliance requirements with management and its legal counsel to assist in identifying material compliance requirements. Throughout the audit we have ensured compliance with GAGAS and the independence standards and we are independent with respect to the School's audit.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2015**

HORIZON ACADEMY WEST (CONTINUED)

2015-001 Disposition of property (Noncompliance in accordance with the New Mexico State Audit Rule)

Condition: During fiscal year 2015, the School disposed of a server and a firewall which cost \$1,300 and \$2,650, respectively. A letter was not sent to the New Mexico Office of the State Auditor to inform them of the intent to dispose of the equipment.

Criteria: Section 2.2.2.10(T)(3) NMAC Requirements for Contracting and Conducting Audits of Agencies, requires the agency to certify in writing the proper erasure of any digital equipment with storage capabilities, and submit the certification along with the notification of the proposed disposition of property to the State Auditor at least thirty days prior to taking action. This applies even if the original purchase price of the digital equipment was less than \$5,000.

Effect: The School is not in compliance with NMAC 2.2.2.10 (T)(3).

Cause: The School did not follow applicable requirements when disposing of capital assets.

Auditor's Recommendation: We recommend that internal controls be established to ensure that capital asset disposals follow all required regulations.

Management's Response: Management will ensure that notification is sent going forward. The business manager will be responsible for this task and they will implement controls for this process by October 2015.

2015-002 Procurement Code (Noncompliance in Accordance with the New Mexico State Audit Rule)

Condition: During our procurement test work, we noted the School did not go out to bid for one vendor who provided information technology (IT) services. During fiscal year 2015, the School paid this vendor \$64,098.

Criteria: NMAC 6.20.2.17 PURCHASING states A. Each school district shall establish and implement written policies and procedures for purchasing which shall be in compliance with the Procurement Code, Section 13-1-21 et seq., NMSA 1978. Purchasing policies and procedures for grant funding shall comply with requirements established within the grant and the Procurement Code. An internal control structure over purchasing shall be established and maintained to assure compliance with school district policy, state and federal regulations. The School's financial policies states that competitive bids must be obtained on a request for proposal form and in accordance with New Mexico State Statute. According to NMSA Article I, Section 13-1-104, "An invitation for bids or a notice thereof shall be published not less than ten calendar days prior to the date set forth for the opening of bids. In the case of purchases made by the state purchasing agent, the invitation or notice shall be published at least once in at least three newspapers of general circulation in this state; in addition, an invitation or notice may be published electronically on the state purchasing agent's web site that is maintained for that purpose."

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PUBLIC EDUCATION DEPARTMENT
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Year Ended June 30, 2015

HORIZON ACADEMY WEST (CONTINUED)

2015-002 Procurement Code (Noncompliance in Accordance with the New Mexico State Audit Rule)(Continued)

Effect: The School could be overpaying for services and goods.

Cause: The School did not expect to make purchases over the state procurement requirement.

Recommendation: For professional services greater than \$60,000, the School should solicit an invitation for bid to comply with procurement guidelines.

Management's Response: Management will review purchases on a regular basis to verify the amounts to not go over procurement code. The business manager will implement these changes by October 2015.

2015-003 Excess of Expenditures over Budget (Noncompliance in Accordance with the New Mexico State Audit Rule)

Condition: The School has an expenditure function where actual expenditures exceeded budgetary authority:

SB-9 Capital Improvements	
Support Services-General Administration	\$93

Criteria: Per NMAC 6.20.2.9 (A) every school district shall follow budget requirements stated in Sections 22-8-5 through 22-8-12.2, NMSA 1978, and procedures of the department in preparing, submitting, maintaining and reporting budgetary information. Budgetary control shall be at the function level. Over-expenditure of a function shall not be allowed.

Effect: The School's actual expenditures in the above function exceeded the total approved budgeted expenditures.

Cause: Budgetary controls were not in place to adequately monitor and regularly compare budget to actual results. As a result, measures were not taken to avoid or minimize the amount that actual expenditures exceeded the approved budget for the School's Capital Improvement fund.

Recommendation: Budget adjustment requests should be presented and approved before expending funds in excess of the budget. Controls should be implemented to ensure that budgeted amounts are compared to actual on a regular basis and the budget effectively utilized for controlling expenses and managing cash flow.

Management's Response: Management will review budget on a regular basis to ensure all the required BARs are created. The business manager will review the budget and ensure the required BARs are created starting October 2015.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2015**

THE INTERNATIONAL SCHOOL AT MESA DEL SOL

2014-001 Mileage Reimbursements – (Compliance)

Condition: For the year ended June 30, 2015, it was noted that the School reimbursed employees for mileage at a rate of fifty six cents per mile. Progress has not been made in the current year.

Criteria: NMAC 2.42.2.11 (B) (1) states public officers and employees of state agencies shall be reimbursed for mileage accrued in the use of a private automobile or aircraft in the official discharge of official duties as follows: “unless the secretary has reduced the rates set for mileage for any class of public officials and for employees of state agencies pursuant to Section 10-8-5 (D) NMSA, 80% of the internal revenue service standard mileage rate set January 1 of the previous year for each mile traveled in a privately owned vehicle.”

Effect: The School is not in compliance with New Mexico State Statutes in regards to mileage reimbursement.

Cause: The School contends that it is a Local Public Body and not a State Agency. As a Local Public Body, the school contends that it may reimburse mileage at the full amount authorized by the IRS. The New Mexico Public Education Department (PED) has indicated to the auditors that charter schools chartered under PED are a component unit of PED and should reimburse mileage at the rate approved for a State Agency.

Recommendation: The School should reimburse mileage at 80% of the internal revenue service standard mileage rate set January 1 of the previous year for each mile traveled in a privately owned vehicle.

Management Response: The International School at Mesa del Sol will start reimbursing mileage at 80% of the IRS standard mileage rate. The business manager will be responsible for overseeing the implementation of this policy. This will be completed by December 31st.

J. PAUL TAYLOR ACADEMY

2014-001 Supporting Documentation – Repeated (Significant Deficiency)

Condition: In a sample of sixty-six cash disbursements selected for testing, the following item was noted:

- For thirty-seven items totaling \$82,145.40, there was no purchase order or signed contract and no indication of approval or review by an authorized employee.

During a test of transactions for “earmarked or special designated funding” we noted the following;

- Two transaction were tested for Fund 24101 (Title-I). For \$11,416.00 of the \$32,098.00 tested, there was not sufficient supporting documentation to verify that the costs were allowable costs under Title –I regulations.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2015

J. PAUL TAYLOR ACADEMY (CONTINUED)

2014-001 Supporting Documentation – Repeated (Significant Deficiency)(Continued)

- Nineteen transaction were tested for Fund 24106 (IDEA-B). For \$7,840.10 of the \$39,839.00 tested, there was not sufficient supporting documentation to verify that the costs were allowable costs under IDEA-B regulations.

There has been no progress made regarding this finding during fiscal year 2015.

Criteria: Per NMAC 6.20.2.11 (A) Internal Control Structure Standards, "every school district shall establish and maintain an internal control structure to provide management with reasonable assurance that assets are safe-guarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with GAAP. The internal control structure shall include written administrative controls (rules, procedures and practices, and policies that affect the organization) and accounting controls (activity cycles, financial statement captions, accounting applications including computer systems) that are in accordance with GAAP."

Effect: Unsupported cash disbursements places the school at risk for unauthorized expenditures or fraud.

Cause: School personnel did not follow established procurement policies of the School.

Recommendation: The School should put in place internal controls so that documentation for all cash disbursements is available for examination both by school personnel and external parties such as the auditors. Cash disbursements should be reviewed and approved by someone other than the business manager, such as the principal or the treasurer of the governing council.

Management's Response: The School has switched Business Managers after FY 2015. The School has instructed the new Business Manager to keep all documentation for cash disbursements on the premises and maintained in an orderly fashion. This policy has already been implemented by school management and the new Business Manager.

2015-001 Supporting Documentation – (Compliance)

Condition: In a sample of fifteen travel reimbursements selected for testing, the following item was noted:

- For five items, totaling \$2,777.99, there was no supporting reimbursement voucher or receipts provided to validate the amount of reimbursement.

Criteria: Per NMAC 2.42.2.12 Reimbursement for Other Expenditures, paragraph B. Receipts Required: Public officers and employees may be reimbursed for the following expenses provided that receipts for

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J. PAUL TAYLOR ACADEMY (CONTINUED)

2015-001 Supporting Documentation – (Compliance)(Continued)

all such expenses are attached to the reimbursement voucher. (1) actual costs for travel by common carrier, provided such travel is accomplished in the most economical manner practical; (2) rental cars or charter aircraft, provided less expensive public transportation is not available or appropriate; (3) registration fees for educational programs or conferences, provided, if the fee includes lodging or meals, then no per diem rates shall be paid and only actual expenses paid by the officer or employee and not included in the fee shall be reimbursed within the limits of 2.42.2.9 NMAC; and (4) professional fees or dues that are beneficial to the agency's operations or mission. (5) Under circumstances where the loss of receipts would deny reimbursement and create a hardship, an affidavit from the officer or employee attesting to the expenses may be substituted for actual receipts. The affidavit must accompany the travel voucher and include the signature of the agency head or governing board. See Appendix B for a sample affidavit.

Effect: Unsupported reimbursements place the school at risk for unauthorized expenditures or fraud.

Cause: School does not comply with state statutes; travel reimbursements issued without obtaining reimbursement request and receipts for authorized expenditures.

Recommendation: The School should put in place internal controls so that documentation for all travel reimbursements are supported by a reimbursement voucher with supporting receipts attached and that require an authorized person to review all requests and supporting receipts to ensure employees are reimbursed for authorized expenditures only.

Management's Response: The School has switched Business Managers after FY 2015. The School has instructed the new Business Manager to keep all documentation for travel reimbursements on the premises and maintained in an orderly fashion. This policy has already been implemented by school management and the new Business Manager.

2015-002 Budgetary Conditions (Compliance)

Condition: We noted the School budgeted cash carryover of \$46,871 more than the School had available for the Operational Fund.

Additionally, the School had funds where actual expenditures exceeded budgetary authority:

Operational 11000	Instruction	\$ 354
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Criteria: In accordance with Public Education Department (PED) requirements and 6-6-6 NMSA 1978, the School is required to follow PED procedures relating to Budget Adjustment Requests. This includes ensuring that BAR's are included in final budget amounts reported to Schools PED report. Per NMAC 6.20.2.10.B, School districts shall submit budget adjustment requests for the operating budget to the

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J. PAUL TAYLOR ACADEMY (CONTINUED)

2015-002 Budget Adjustment Requests (BAR) (Compliance)(Continued)

department for budget increases, budget decreases, transfers between functional categories, and transfers from the emergency reserve account. Expenditures shall not be made by the school district until budget authority has been established and approval received from the department. Budget adjustments shall not be incorporated into the school district's accounting system until approval is received by the department.

6.20.2.9 (A) NMAC and 22-8-5 through 22- 8-12.2 NMSA 1978 require that budgets not be exceeded at the legal level of control. For school districts the function is the legal level of control.

Effect: The school is not in compliance with State Statutes.

Cause: The budget was not being properly monitored.

Auditor's Recommendation: The School must be familiar with Public Education Department (PED) requirements and 6-6-6 NMSA 1978 and follow the requirements for the budgetary system.

Management's Response: Normal procedures for the school hold that BARs are presented to the Governing Council for the purpose of matching projected cash carryover amounts to actual cash carryover amounts. These BARs are then submitted to the NMPED. The NMPED requires that all BARs have official documentation verifying amounts of increase or decrease. Historically, the NMPED has accepted the school's prior year audit as verification of cash carryover figures. To this date, the Office of the State Auditor has not released the FY14 audit to the public and therefore could not be used as backup for a BAR. Once the NMPED's audits are back to being released during a normal time frame the BAR process can be established once again to ensure that budget authority over cash carryover amounts are verified against the completed audit.

2015-003 After School Care and Enrichment Programs (Compliance) (Material Weakness)

Condition: The School was operating an after school childcare program that was not being recorded or tracked on the School's general ledger.

Criteria: Per NMAC 6.20.2.11 (A) Internal Control Structure Standards, "every school district shall establish and maintain an internal control structure to provide management with reasonable assurance that assets are safe-guarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with GAAP. The internal control structure shall include written administrative controls (rules, procedures and practices, and policies that affect the organization) and accounting controls (activity cycles, financial statement captions, accounting applications including computer systems) that are in accordance with GAAP.

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J. PAUL TAYLOR ACADEMY (CONTINUED)

2015-003 After School Care and Enrichment Programs (Compliance) (Material Weakness)(Continued)

Effect: The School did not have any of this program recorded on their general ledger. Some of the employees that were being paid out of this program did not have these wages listed as stipends or addendums to their salary and therefore these amounts were not on their W-2 form at the end of the year. The purchases out of this fund did not have the normal process of review over cash disbursements like other School purchases. The school also ran an after school enrichment program that was being captured on the general ledger. However, these employees were being paid out of a separate account and their wages were not being picked up on their W-2s.

Cause: The School's previous Business Manager instructed the School to set the program up in this manner.

Recommendation: The School must verify that all programs initiated by the School be reflected in the general ledger and that they follow all policies in place at the School.

Management's Response: The Program was eliminated as soon as we became aware of it. We will make sure that any programs like this that are initiated by the School will be accounted for properly and all relevant School policies will be followed.

LA ACADEMIA DOLORES HUERTA CHARTER SCHOOL

2015-001 Journal Entries - (Significant Deficiency)

Condition: For two of five journal entries selected for testing, in the amounts of \$6,353.68 and \$2,192.80, the school was not able to provide supporting documentation and proof of approval.

Criteria: Per NMAC 6.20.2.11(B), each school district shall develop, establish and maintain a structure of internal accounting controls and written procedures to provide for segregation of duties, a system of authorization and recording procedures, and sound accounting practices in performance of duties and functions. The duties to be segregated are the authorization to execute a transaction, recording the transaction, and custody of assets involved in the transaction. Per proper accounting practices, there should be a segregation of duties for the preparation and posting of journal entries. In addition, all journal entries should be reviewed and approved by a designated member of management and include proper supporting documentation. Also, all journal entries should be posted to the appropriate funds and should be in balance.

Effect: Lack of review of journal entries or lack of supporting documentation can lead to an increased risk of fraud or improper posting of journal entries. The posting of journal entries to the incorrect fund or journal entries that do not balance can cause material misstatement to the financial statements. The Business Manager could make entries that could be inappropriate and would not be detected or corrected.

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LA ACADEMIA DOLORES HUERTA CHARTER SCHOOL (CONTINUED)

2015-001 Journal Entries - (Significant Deficiency)(Continued)

Cause: The school's current Business Manager was unable to locate the supporting documentation for the journal entries posted by the prior Business Manager.

Recommendation: We recommend that the school implement a policy to ensure all journal entries are supported and reviewed and approved by an appropriate level of management.

Management's Response: The Business Manager will ensure that all journal entries have supporting documentation and are approved by the Director. The Business Manager is responsible for correcting this by December 31, 2015.

2015-002 Form 1099-MISC - (Compliance)

Condition: The school did not maintain copies of the Forms 1099-MISC that were distributed for calendar year 2014. The auditors were unable to determine if the forms were distributed to the proper recipients and for the proper amounts.

Criteria: Per the 2014 Instructions for Form 1099-MISC, the form is to be filed for each person to whom the school paid during the year of at least \$600 in rents, services (including parts and materials), prizes and awards, other income payments, medical and health care payments, crop insurance proceeds, cash payments for fish (or other aquatic life) you purchase from anyone engaged in the trade or business of catching fish, or generally, the cash paid from a notional principal contract to an individual, partnership, or estate.

Effect: The School is out of compliance with the Internal Revenue Service Code (IRS) which could result in a penalty under an IRS investigation.

Cause: The school's current Business Manager was unable to locate the supporting documentation for the Forms 1099-MISC filed by the prior Business Manager.

Recommendation: We recommend the School establish a policy to ensure all required 1099 forms are submitted to required vendors and in for the correct amounts.

Management Response: The Business Manager will ensure that the 1099's are issued to the appropriate vendors by January 31, 2016 and that the Form 1096 is submitted to the Internal Revenue Service.

2015-003 Inventory and Capital Assets – (Compliance)

Condition: During our testing of inventory and capital assets we noted the following:

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LA ACADEMIA DOLORES HUERTA CHARTER SCHOOL (CONTINUED)

2015-003 Inventory and Capital Assets – (Compliance)(Continued)

- The school maintains a listing of technology assets, but does not conduct an annual inventory of these items. The listing also does not include historical costs on these items.
- School personnel were unable to locate the school's listing of capital assets and the associated depreciation schedule.

Criteria: Per NMAC 6.20.2.11 (A) Internal Control Structure Standards, "every school district shall establish and maintain an internal control structure to provide management with reasonable assurance that assets are safe-guarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with GAAP. The internal control structure shall include written administrative controls (rules, procedures and practices, and policies that affect the organization) and accounting controls (activity cycles, financial statement captions, accounting applications including computer systems) that are in accordance with GAAP." Further, Per NMAC 6.20.2.22 (C) "Property control system: Assets of a long- term character which are intended to continue to be held or used, such as land (including

acquisition and improvements to grounds), buildings (including initial, acquisition, improvements, remodeling, additions, and replacement), 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. General services department (GSD) rules(s), the state Procurement Code, and any other applicable state and federal requirements."

Effect: Assets could be stolen without the school's knowledge. This could lead to the financial statements being misstated.

Cause: The school was unaware of the requirement to conduct an annual inventory. The current Business Manager could not locate the capital assets listing and depreciation schedule maintained by the former Business Manager.

Recommendation: We recommend the School develop and implement internal controls over fixed asset inventories to ensure all assets are accounted for and physically exist. The school should maintain a listing of its capital assets and the associated depreciation schedule. School personnel should become familiar with the requirements of PSAB Supplement 12 "Capital Assets."

Management's Response: The Business Manager and Assistant Business Manager will conduct an inventory at the end of fiscal year 2016 to ensure there is an accurate listing of all capital assets.

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LA ACADEMIA DOLORES HUERTA CHARTER SCHOOL (CONTINUED)

2015-004 PED Cash Reports and Bank Reconciliations- Repeated and Modified- (Significant Deficiency)

Condition: The following items were noted during our testing of cash:

- At June 30, 2015 the general ledger reports a cash balance of \$275,587.93.
- At June 30, 2015 the bank reconciliations report a cash balance of \$273,021.06.
- At June 30, 2015 the PED Cash Report shows a balance of \$277,208.34.

School personnel were unable to reconcile the variances noted above.

Criteria: According to 6.20.2.11 (B) (6), NMAC, "School districts shall conduct independent checks on performance and proper valuation of recorded amounts, such as clerical checks, reconciliations, comparisons of assets with recorded accountability, computer-programmed controls, management review of reports that summarize the detail of account balances, and user review of computer generated reports." The New Mexico Manual for Procedures for Public School Accounting and Budgeting Supplement 7 Cash Controls also requires that the reports sent to the New Mexico Public Education Department (PED) must agree to school district records.

Effect: The PED does not have an accurate accounting of the School's activity.

Cause: There was a transition of Business Managers at the end of the fiscal year. During this transition, cash was not properly reconciled.

Auditor's Recommendation: We recommend that policies and procedures be implemented to ensure that bank accounts are properly reconciled on a monthly basis and that the quarterly PED cash reports reconcile to the general ledger.

Management's Response: The Business Managers and Finance Committee will ensure that all reports match prior to submitting them to PED. The Business Manager is responsible for correcting this by December 31, 2015.

2015-005 Personnel Files – (Compliance)

Condition: In a payroll test of nine personnel files, one personnel file was missing the Form I-9.

Criteria: NMAC 6.20.2.18 requires that schools maintain and have available for inspection the following employee record documentation: employment contracts (including increments), personnel/payroll action forms, certification records, employment eligibility verification (Federal Form I-9), federal and state withholding certificates, pay deduction authorizations, pay or position change notices, Educational Retirement Act plan application, and direct deposit authorizations.

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LA ACADEMIA DOLORES HUERTA CHARTER SCHOOL (CONTINUED)

2015-005 Personnel Files – (Compliance)(Continued)

Effect: The School is not in compliance with New Mexico State Statutes in regards to employee record documentation.

Cause: School personnel failed to obtain a Form I-9 from the individual when they were hired.

Recommendation: The School Should Review All Personnel Files To Ensure That Required Documentation Required By NMAC 6.20.2.18 Is Available.

Management Response: In November 2015, the Business Manager reviewed all personnel files and verified the required documents were on file.

LA JICARITA COMMUNITY SCHOOL

2014-003 Payroll and Personnel Files – (Noncompliance in Accordance with the New Mexico State Audit Rule)

Condition: During our internal control testwork over a sample of 25 payroll transactions we noted the following:

- Three of the employees tested had missing or incomplete I-9s on file.
- Two of the employees tested did not have a form W-4 on file.
- For one employee tested a background check could not be provided for our review.
- For two employees tested an employment contract could not be provided for our review. Consequently, we were unable to determine the approved rate of pay.

Criteria: NMAC 6.20.2.18 requires various employee records and documentation to be maintained and available for inspection, including personnel/payroll action forms that properly document employee compensation.

Pursuant 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.

Effect: The School is not in compliance with its payroll processing and payment policies and procedures and NMAC 6.20.2.18. The School is also not in compliance with 22-10-3.3 NMSA 1978.

Cause: Adequate policies and procedures have not been developed and implemented to ensure compliance with the above rules and regulations.

Recommendation: Personnel files should be periodically reviewed to ensure all required personnel file documents have been obtained and are complete and accurate, including benefit election forms and

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LA JICARITA COMMUNITY SCHOOL (CONTINUED)

2014-003 Payroll and Personnel Files – (Noncompliance in Accordance with the New Mexico State Audit Rule)(Continued)

compensation documentation. Individual base compensation should agree to the La Jicarita Community School Salary Schedule approved by the Governing Council with additional compensation (i.e. stipends, etc.) separately documented and approved.

Internal controls should be developed and implemented to ensure background checks are completed timely and accurately.

Management's Response: The school's Business Manager implemented a checklist to be used for the intake of all new hires to ensure that all of the proper documentation is in the employee file. A thorough review of all existing employee files has been completed and all required documents are now in the employee personnel files

2015-001 ERB Contributions – (Noncompliance in Accordance with the New Mexico State Audit Rule)

Condition: During the months of September through December 2014 the School reported that certain employees had wages of less than \$20,000. Per review of these employee's contract files we noted that they should have been classified as having wages greater than \$20,000.

Criteria: Chapter 22, Article 11 NMSA 1978 "Educational Retirement Act" establishes guidelines for contributions and the calculation of qualifying wages. Further guidance was provided in a memo from ERB, dated May 26, 2009, that details the method for determining if an employee's wages is under or over \$20,000.

Effect: The School is not in compliance with the Educational Retirement Act referenced above.

Cause: The School did not use the appropriate methodology for determining wages for ERB contributions in accordance with ERB guidance.

Recommendation: Implement internal controls to ensure the appropriate amounts are remitted to ERB each month.

Management's Response: The school is aware of the instance in which an employee was improperly deducted for ERB. The school hired a new Business Manager in January 2015 that discovered this issue and corrected it. In addition, the Business Manager performs a detailed monthly reconciliation to ensure that ERB is being deducted correctly. The Business Manager will ensure that the school is in compliance with all laws and guidelines pertaining to ERB.

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LA PROMESA EARLY LEARNING CENTER

2014-001 Purchase Orders Subsequent to Invoice – Modified and Repeated – (Significant Deficiency)

Condition: During our testing of sixty cash disbursements we noted three check totaling \$58,064.39 in where \$8,214.61 of the Purchase Orders were prepared subsequent to the vendor's invoice date. No progress was made in the current fiscal year.

Criteria: Section NMAC 6.20.2.17 (A), required 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 et seq., NMSA 1978. An internal control structure over purchasing shall be established and maintained to assure compliance with school policy, and state and federal regulations. Also, the New Mexico Manual of Procedures for Public School Accounting and Budgeting, Supplement 13 – Purchasing, states that “the preparation and execution of a duly authorized purchase order must precede the placement of any order for goods, services or construction.”

Effect: Not being in compliance with state purchasing requirements places the School at risk for fraud or misuse of public funds.

Cause: School personnel did not follow established procurement policies of the School.

Recommendation: All School personnel should be reminded that initiation of a purchase order is not sufficient for ordering; that an approved Purchase Order is required per School and State guidelines.

Management Response: During employee orientation for the 2015-2016 fiscal year, employees were informed of our responsibility as well as their responsibility to ensure that all Purchase Orders are created before any orders can be placed. The Business Manager will be responsible for ensuring policies are in place by December 31, 2015.

2015-001 Internal Control Over Cash Disbursements – (Significant Deficiency)

Condition: In a sample of sixty expenditures we noted the following:

- There were seven instances (totaling \$112,125.72) where the payments were made late. Two of the instances resulted in late fee of \$165.20.
- There was one instance where the cash disbursement exceeded the attached invoices by \$788.91.

Criteria: NMAC 2.42.6.20.2.11 requires that schools establish and maintain an internal control structure to provide management with reasonable assurance that assets are safeguards against loss from unauthorized use. “The internal control structure shall include written administrative controls (rules, procedures, practices, and policies that affect the organization) and accounting controls (activity cycles, financial statement captions, accounting applications including computer systems) that are in accordance with GAAP.”

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LA PROMESA EARLY LEARNING CENTER (CONTINUED)

2015-001 Internal Control Over Cash Disbursements – (Significant Deficiency)(Continued)

Effect: Unsupported cash disbursements and late payments put the School at risk for unauthorized purchases.

Cause: School personnel did not follow established procurement policies of the School.

Recommendation: The School should follow its own internal policy. All cash disbursements should be properly supported and paid timely.

Management Response: Unfortunately, La Promesa had experienced a cash flow problem due to the slow reimbursement process for our Summer Program, which costs the school approximately \$250,000 each year. Although we had submitted all reimbursement requests by September 30, 2014, our reimbursements did not come in until December and January. This year we had to request a cash advance from PED to cover these expenditures. Again, we still have not been reimbursed for our expenditures as of today.

As for the payment amount over the PO, we will make sure that any additional expenditures are reported to the business office prior to encumbering such expenses. The Business Manager will be responsible for ensuring policies are in place by December 31, 2015.

2015-002 Travel & Per Diem – (Compliance)

Condition: In a sample of twelve Travel and per Diem disbursements we noted one item where a Per Diem reimbursement was overpaid by \$2.50.

Criteria: In regards to the partial day per diem rates, per NMAC 2.42.2.8 B(3) provides that on the last day of travel when overnight lodging is no longer required, partial day reimbursement shall be made. To calculate the number of hours in the partial day, begin with the time the traveler initially departed. Divide the number of hours traveled by 24. The hours remaining constitute the partial day which shall be reimbursed as follows:

- (a) For less than 2 hours, none;
- (b) For 2 hours, but less than 6 hours, \$12.00;
- (c) For 6 hours or more, but less than 12 hours, \$20.00
- (d) For 12 hours or more \$30.00

Effect: The school could be in violation of the anti-donation rules and could be paying for costs that are not considered allowable. The school is in violation of the NMAC.

Cause: The School did not verify the correct partial day per diem reimbursement rate prior to reimbursing the employee.

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LA PROMESA EARLY LEARNING CENTER (CONTINUED)

2015-002 Travel & Per Diem – (Compliance)(Continued)

Recommendation: We recommend that the school put procedures in place to be aware of the current per diem available per NMAC.

Management Response: All Per Diem expenditures will be reviewed by both the Business Manager and the Business Office Assistant to ensure that all costs are aligned to the State Per Diem rates. The Business Manager will be responsible for ensuring policies are in place by December 31, 2015.

LA RESOLANA LEADERSHIP ACADEMY

2015-001 Budgetary Condition – (Compliance)

Condition: The School had funds where actual expenditures exceeded budgetary authority:

Food Service Operations 21000	\$14,037
Teacher & School Leader Incentive Pay 27188	\$ 3,800
Teacher & School Leader Incentive Pay Group 27190	\$ 797

Criteria: Sound financial management and 6.20.2.9 (A) NMAC and 22-8-5 through 22- 8-12.2 NMSA 1978 require that budgets not be exceeded at the legal level of control. For school districts the function is the legal level of control.

Effect: The school is out of compliance with State Law and the control established by the use of budgets has been compromised.

Cause: A budget adjustment request was never submitted to account for the additional expenditures incurred.

Auditor's Recommendation: The School should establish a policy of budgetary review at year-end and make the necessary budgetary adjustments.

Management's Response: The school has procedures in place to review the budget at year end to make sure all BARs are submitted in a timely manner. The business manager will be responsible for the review of the budgets. The final budget adjustment request will be completed prior to PED required deadline.

2015-002 Purchase Orders – (Significant Deficiency and Compliance)

Condition: During our testing of forty cash disbursements we noted the following:

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LA RESOLANA LEADERSHIP ACADEMY (CONTINUED)

2015-002 Purchase Orders – (Significant Deficiency and Compliance)(Continued)

There were twelve instances (\$1,000.00, \$440.20, \$1,600.00, \$2,400.00, \$909.50, \$235.71, \$1,888.55, \$267.50, \$1,950.00, \$1,012.50, \$3,000.00, and \$285.00) where the purchase order was dated after the invoice date.

Criteria: Section NMAC 6.20.2.17 (A), requires 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 et seq., NMSA 1978. An internal control structure over purchasing shall be established and maintained to assure compliance with school policy, and state and federal regulations. Also, the New Mexico Manual of Procedures for Public School Accounting and Budgeting, Supplement 13 – Purchasing, states that “the preparation and execution of a duly authorized purchase order must precede the placement of any order for goods, services or construction.”

Effect: Not being in compliance with state purchasing requirements places the School at risk for fraud or misuse of public funds.

Cause: School personnel did not follow established procurement policies of the School.

Recommendation: All School personnel should be reminded that initiation of a purchase order is not sufficient for ordering; that an approved Purchase Order is required per School and State guidelines.

Management Response: The school has internal control procedures established. These procedures will be emphasized with staff. An approved Purchase Order will be in place before placing an order with a vendor. The business manager will review these procedures with staff by December 31st.

THE MASTERS PROGRAM

2014-001 Mileage & Travel Reimbursements – Modified and Repeated (Compliance)

Condition: For the year ended June 30, 2015 we tested eight travel reimbursements and it was noted that the School reimbursed employees at a mileage rate of fifty six cents per mile. In addition three expense report reimbursements for meals exceeded allowable per diem rates by a total of \$9.99.

Criteria: NMAC 2.42.2.11 (B) (1) states public officers and employees of state agencies shall be reimbursed for mileage accrued in the use of a private automobile or aircraft in the official discharge of official duties as follows: “unless the secretary has reduced the rates set for mileage for any class of public officials and for employees of state agencies pursuant to Section 10-8-5 (D) NMSA, 80% of the internal revenue service standard mileage rate set January 1 of the previous year for each mile traveled in a privately owned vehicle.” NMAC 2.42.2.8 (B) (3) states per diem rate computations to be paid to public officers and employees. Also, Actual expenses for meals are limited by Section 10-8-4(K) (2) NMSA

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THE MASTERS PROGRAM (CONTINUED)

2014-001 Mileage & Travel Reimbursements – Modified and Repeated (Compliance)(Continued)

1978 (1995 Repl. Pamp.) to a maximum of \$30.00 for in-state travel and \$45.00 for out-of-state travel for a 24-hour period.

Effect: The School is not in compliance with New Mexico State Statutes in regards to mileage and per diem reimbursements.

Cause: The School has received conflicting information on what the correct mileage reimbursement rate is. The New Mexico Public Education Department (PED) has indicated to the auditors that charter schools chartered under PED are a component unit of PED and should reimburse mileage at the rate approved for a State Agency.

Recommendation: The School should reimburse mileage at 80% of the internal revenue service standard mileage rate set January 1 of the previous year for each mile traveled in a privately owned vehicle. Reimbursements of actual meals should be limited to a maximum of \$30.00 for in-state travel and \$45.00 for out-of-state travel for a 24-hour period.

Management's Response: Management is in complete agreement and has changed its policy accordingly. The Governing Council approved the change for fiscal year 2016.

2014-002 Procurement Documentation – Modified and Repeated (Significant Deficiency)

Condition: During our test-work of sixty cash disbursements the following items were noted:

- There were two disbursements (totaling \$2,304.39 and \$690.00) where the purchase requisitions were not attached.
- There were six purchase orders (\$1,551.50, \$677.28, \$164.61, \$1,702.46, \$133.50, and \$2,500.00) which were prepared subsequent to the vendor's invoice date.

Criteria: Section NMAC 6.20.2.17 (A), requires 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 et seq., NMSA 1978. An internal control structure over purchasing shall be established and maintained to assure compliance with school policy, and state and federal regulations. Also, the New Mexico Manual of Procedures for Public School Accounting and Budgeting, Supplement 13 – Purchasing, states that “the preparation and execution of a duly authorized purchase order must precede the placement of any order for goods, services or construction.”

Effect: Not being in compliance with state purchasing requirements places the School at risk for fraud or misuse of public funds.

Cause: School personnel did not follow established procurement policies of the School.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2015

THE MASTERS PROGRAM (CONTINUED)

2014-002 Procurement Documentation – (Significant Deficiency)(Continued)

Recommendation: The School should maintain supporting documentation for all cash disbursements. All School personnel should be reminded that initiation of a purchase order is not sufficient for ordering; that an approved Purchase Order is required per School and State guidelines.

Management's Response: Management acknowledges that "the execution of a duly authorized purchase order must precede the placement of any order for goods, services or construction," our policies conform to this requirement, and employees are required to sign their acknowledgement of this policy. We will continue to remind them. The Business Office will make every reasonable effort to issue a PO whenever the suspicion of an expenditure is looming. Management will review these policies with employees. This will be completed by December 31st.

2014-003 Personnel Files – (Compliance)

Condition: In a payroll test of ten personnel files, one personnel file was missing the Form I-9 and another personnel file did not contain evidence of a background check.

Criteria: NMAC 6.20.2.18 requires that schools maintain and have available for inspection the following employee record documentation: employment contracts (including increments), personnel/payroll action forms, certification records, employment eligibility verification (Federal Form I-9), federal and state withholding certificates, pay deduction authorizations, pay or position change notices, Educational Retirement Act plan application, and direct deposit authorizations.

Effect: The School is not in compliance with New Mexico State Statutes in regards to employee record documentation.

Cause: School personnel failed to obtain a Form I-9 from the individual when they were hired. There was also a failure to get a background check on an individual.

Recommendation: The School should review all personnel files to ensure that required documentation required by NMAC 6.20.2.18 is available.

Management's Response: The only employee in the sample without a background check is a part-time data entry clerk who does not work directly with students and thus has not been required to obtain a background check. We have reviewed our files for completeness, and those where an I-9 was not obtained when the employee was hired will always, forever be out of compliance. We can get the I-9 (and have done so), but we cannot make it happen concurrent with a previous hire. Management has reviewed all personnel files for the required background checks and Form I-9s.

**STATE OF NEW MEXICO
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Year Ended June 30, 2015**

THE MASTERS PROGRAM (CONTINUED)

2015-001 Journal Entry Supporting Documentation – (Compliance)

Condition: One of two journal entries selected for testing did not have documentation attached to support the journal entry made.

Criteria: Per NMAC 6.20.2.11 (A) Internal Control Structure Standards, "every school district shall establish and maintain an internal control structure to provide management with reasonable assurance that assets are safe-guarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with GAAP. The internal control structure shall include written administrative controls (rules, procedures and practices, and policies that affect the organization) and accounting controls (activity cycles, financial statement captions, accounting applications including computer systems) that are in accordance with GAAP."

Effect: The School could have miscoded an expenditure to the incorrect budget function.

Cause: School personnel did not maintain the supporting documentation for the given journal entry.

Recommendation: The School should put in place internal controls so that documentation for all financial activity is available for examination both by school personnel and external parties such as the auditors.

Management's Response: Management is in the process of establishing procedures for journal entry documentation. These procedures will be documented and completed by December 31st.

MCCURDY CHARTER SCHOOL

2014-003 Non-compliance with cash deposit requirements- Noncompliance in Accordance with the New Mexico State Audit Rule (Compliance)

Condition: For 1 of the 5 cash receipts tested totaling \$2,909, it was noted that deposit of funds into a financial institution was not completed within 24 hours.

Criteria: Cash receipts shall be deposited into a financial institution within 24 hours of receipt

Cause: The School did not have a systematic process in place to be in compliance with this requirement.

Effect: Public monies are susceptible to theft or misappropriation if not deposited in a timely manner.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
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Year Ended June 30, 2015**

MCCURDY CHARTER SCHOOL (CONTINUED)

2014-003 Non-compliance with cash deposit requirements- Noncompliance in Accordance with the New Mexico State Audit Rule (Compliance) (Continued)

Recommendation: We recommend that the School augment their internal policy to comply with state statutes, specifically regarding the deposit of cash receipts into a financial institution within 24 hours of receipt, and follow the aforementioned policy going forward.

Management's Response: The school has a policy for 24 hour deposits. The director and business manager continue to reinforce training and policy to the staff to ensure that the school follows the State regulations.

2014-006 Compliance with pledged collateral requirements- Noncompliance in Accordance with the New Mexico State Audit Rule (Significant Deficiency)

Condition: The School's bank account was not initially set up as a public account and, therefore, cash balances were not covered by pledged collateral.

Criteria: Article 10 of Chapter 6 of NMSA requires government entities to ensure that deposits of public money are properly collateralized.

Cause: The School's bank account was not set up properly from the beginning, so the financial institution did not provide the school with the proper collateralization for its deposits. In addition, the School management did not properly monitor this requirement to become compliant.

Effect: The School's assets could be exposed to custodial credit risk at certain points during the year.

Recommendation: It appears as though the bank accounts were converted to public accounts, but not until June 2015. During fiscal year 2015, cash balances were uncollateralized.

Management's Response: During prior year audit (FY14) it came to the attention of the new business management team that the school did not have a public account as required by State law. The school immediately started working with the bank to convert the account as soon as they became aware.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
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Year Ended June 30, 2015**

MCCURDY CHARTER SCHOOL (CONTINUED)

2014-007 Expenditures in excess of budgeted amounts- Noncompliance in Accordance with the New Mexico State Audit Rule (Compliance)

Condition: Expenditures exceeded the amount budgeted for the following funds:

21000 Food Services		
Food Services Operations	\$	48,264
24106 IDEA-B Entitlement		
Instruction		18,550
24146 Charter Schools		
Instruction		144
31700 SB-9 Capital Improvements		
Instruction		703
Total funds with over-expenditures	\$	67,661

Criteria: Pursuant to Chapter 6, Article 3 of NMSA 1978, expenditures may not exceed budgeted amounts.

Cause: The School did not have adequate controls in place over expenditures during the year and the budget was not monitored adequately to prevent such over expenditures.

Effect: The School has put itself in a negative financial position by over expending public monies and continues to operate at a deficit.

Recommendation: We recommend that the budget process be monitored more closely on a go forward basis to prevent future non-compliance.

Management's Response: The business manager will monitor the budget on a routine basis. The school was in the process of corrections from prior business office administration and was working within two databases that made it difficult to monitor the budgets as routine.

MEDIA ART COLLABORATIVE CHARTER SCHOOL

2014-001 Mileage Reimbursements – (Compliance)

Condition: For the year ended June 30, 2015, auditor noted that the School reimbursed employees for mileage at a rate of fifty-six and one-half cents per mile. Of the 9 travel items tested that included mileage reimbursements, 78% reimbursed a rate higher than the current statutory rate. Of these 9 items, the total excess reimbursed was \$190.44. However, auditor did note that all mileage reimbursements paid after May 2015, the month the school learned it was using the incorrect mileage reimbursement amount, were paid IAW state statute.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
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Year Ended June 30, 2015**

MEDIA ART COLLABORATIVE CHARTER SCHOOL (CONTINUED)

2014-001 Mileage Reimbursements – (Compliance)(Continued)

Criteria: NMAC 2.42.2.11 (B) (1) states public officers and employees of state agencies shall be reimbursed for mileage accrued in the use of a private automobile or aircraft in the official discharge of official duties as follows: “unless the secretary has reduced the rates set for mileage for any class of public officials and for employees of state agencies pursuant to Section 10-8-5 (D) NMSA, 80% of the internal revenue service standard mileage rate set January 1 of the previous year for each mile traveled in a privately owned vehicle.”

Effect: The School is not in compliance with New Mexico State Statutes in regards to mileage reimbursement.

Cause: The School contends that it is a Local Public Body and not a State Agency. As a Local Public Body, the school contends that it may reimburse mileage at the full amount authorized by the IRS. The New Mexico Public Education Department (PED) has indicated to the auditors that charter schools chartered under PED are a component unit of PED and should reimburse mileage at the rate approved for a State Agency.

Recommendation: The School should reimburse mileage at 80% of the internal revenue service standard mileage rate set January 1 of the previous year for each mile traveled in a privately owned vehicle.

Management’s Response: The school has amended its policies to reflect mileage reimbursements at the required 80% rate.

MISSION ACHIEVEMENT AND SUCCESS

2014-001 Purchase Order Subsequent to Invoice – (Significant Deficiency)

Condition: During our testing of sixty cash disbursements, there was one instance of \$15,062.0 in which the Purchase Order was prepared subsequent to the vendor’s invoice date. No progress has been made in the current year.

Criteria: Section NMAC 6.20.2.17 (A), requires 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 et seq., NMSA 1978. An internal control structure over purchasing shall be established and maintained to assure compliance with school policy, and state and federal regulations. Also, the New Mexico Manual of Procedures for Public School Accounting and Budgeting, Supplement 13 – Purchasing, states that “the preparation and execution of a duly authorized purchase order must precede the placement of any order for goods, services or construction.”

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
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Year Ended June 30, 2015**

MISSION ACHIEVEMENT AND SUCCESS (CONTINUED)

2014-001 Purchase Order Subsequent to Invoice – (Significant Deficiency)(Continued)

Effect: Not being in compliance with state purchasing requirements places the School at risk for fraud or misuse of public funds.

Cause: School personnel did not follow established procurement policies of the School.

Recommendation: All School personnel should be reminded that initiation of a purchase order is not sufficient for ordering; that an approved Purchase Order is required per School and State guidelines.

Management's Response: The school has internal control procedures established. These procedures will be emphasized with staff. Staff must receive an approved Purchase Order before they place an order with a vendor. The business manager and Principal will be responsible for training the staff in these procedures. We anticipate this training will be completed by December 31st.

2014-002 Mileage Reimbursements – (Compliance)

Condition: For the year ended June 30, 2015, it was noted that the School reimbursed employees for mileage at a rate of fifty five cents per mile.

Criteria: NMAC 2.42.2.11 (B) (1) states public officers and employees of state agencies shall be reimbursed for mileage accrued in the use of a private automobile or aircraft in the official discharge of official duties as follows: "unless the secretary has reduced the rates set for mileage for any class of public officials and for employees of state agencies pursuant to Section 10-8-5 (D) NMSA, 80% of the internal revenue service standard mileage rate set January 1 of the previous year for each mile traveled in a privately owned vehicle."

Effect: The School is not in compliance with New Mexico State Statutes in regards to mileage reimbursement.

Cause: The School contends that it is a Local Public Body and not a State Agency. As a Local Public Body, the school contends that it may reimburse mileage at the full amount authorized by the IRS. The New Mexico Public Education Department (PED) has indicated to the auditors that charter schools chartered under PED are a component unit of PED and should reimburse mileage at the rate approved for a State Agency.

Recommendation: The School should reimburse mileage at 80% of the internal revenue service standard mileage rate set January 1 of the previous year for each mile traveled in a privately owned vehicle.

Management's Response: Mission Achievement and Success Charter School disputes this finding. In

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PUBLIC EDUCATION DEPARTMENT
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MISSION ACHIEVEMENT AND SUCCESS (CONTINUED)

2014-002 Mileage Reimbursements – (Compliance)

March, 2010 the Finance Director at the school received a determination from the Office of the State Auditor after posing the question: “There is one question that I have regarding the mileage reimbursement rate: When a charter school is authorized by the Public Education Commission, is the school considered a state agency or a local public body?” Their answer is: “Regardless of who chartered the school, charter schools fall under the definition of local public bodies.”

The New Mexico Administrative Code, 2.42.2.11 (D) states: Local Public Bodies: Public officers and employees of local public bodies may be reimbursed for mileage accrued in the use of a private conveyance in the discharge of official duties, at the statutory rates unless such rates have been reduced by the governing bodies of the local public body pursuant to Section 10.8.5(D) NMSA 1978. That statute states, in regards to local public bodies: The governing body of any local public body may eliminate or may reduce the rates set for the per diem and mileage for all or any class of public officials and employees of the local public body at any time the local public body deems it to be in the public interest, and such reduction shall not be construed to permit payment of any other compensation, perquisite or allowance. The local public body shall exercise this power of reduction in a reasonable manner and shall attempt to achieve a standard rate for all public officers and employees of the same classification. Based on the statute and regulation noted above, the statutory rate for local public bodies is 100% of the IRS rate unless the governing body of the local public body reduces or eliminates that rate. The Governing Board of Mission Achievement and Success Charter School has not reduced or eliminated that rate. Therefore, Mission Achievement and Success Charter School is allowed to reimburse 100% of the IRS mileage rate.

Auditor’s Rebuttal: It has been determined that the school is a component unit of the New Mexico Public Education Department. Because the school is a component unit of a State Agency, it must follow state statutes which limit mileage reimbursements to 80% of the Internal Revenue Service standard mileage rate.

2015-001 Cash Reconciliations (Significant Deficiency)

Condition: For the year ended June 30, 2015, the following items were noted during our testing of cash:

- At June 30, 2015 the general ledger reports a cash balance of \$528,853
- At June 30, 2015 the bank reconciliation reports a cash balance of \$528,998
- At June 30, 2015 the PED Cash Report shows a balance of \$527,628

School personnel were unable to reconcile the variances noted above.

Criteria: According to 6.20.2.11 (B) (6), NMAC, “School districts shall conduct independent checks on performance and proper valuation of recorded amounts, such as clerical checks, reconciliations, comparisons of assets with recorded accountability, computer-programmed controls, management

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PUBLIC EDUCATION DEPARTMENT
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MISSION ACHIEVEMENT AND SUCCESS (CONTINUED)

2015-001 Cash Reconciliations (Significant Deficiency)(Continued)

review of reports that summarize the detail of account balances, and user review of computer generated reports.”

Effect: The PED does not have an accurate accounting of the School’s activity.

Cause: School personnel know there are variances, but have not been able to identify and correct the variances.

Recommendation: We recommend that policies and procedures be implemented to ensure that bank accounts are properly reconciled on a monthly basis and that the quarterly PED cash reports reconcile to the general ledger.

Management’s Response: The school has policies and procedures in place to ensure that bank accounts are properly reconciled. Due to a payroll liability change after the PED cash report was completed this caused a difference in the bank balances. The bank is currently reconciled with the General Ledger and all reports submitted to PED and the schools governing council. The business manager will monitor the procedures used for cash reconciliations.

NEW AMERICA SCHOOL

2012-002-Internal Control Structure (Noncompliance in Accordance with the New Mexico State Audit Rule)

Condition: During our internal control test work over a sample of 25 disbursements and 5 travel expenditures, we noted the School is not following their P-Card policy as approval is not obtained prior to incurring purchases on the card.

Criteria: Per NMAC 6.20.2.11 (A) Internal Control Structure Standards, “every school district shall establish and maintain an internal control structure to provide management with reasonable assurance that assets are safe-guarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management’s authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with GAAP. The internal control structure shall include written administrative controls (rules, procedures and practices, and policies that affect the organization) and accounting controls (activity cycles, financial statement captions, accounting applications including computer systems) that are in accordance with GAAP.”

Effect: The School is not in compliance with their P-Card policy.

Cause: The School did not follow their policies and procedures.

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PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2015

NEW AMERICA SCHOOL (CONTINUED)

2012-002-Internal Control Structure (Noncompliance in Accordance with the New Mexico State Audit Rule)(Continued)

Recommendation: Ensure the School's P-card policy is followed.

Management's Response: The School is aware of the policy and procedures adopted by the governing council for the use of the P-card. Although a purchase order is established prior to any actual purchase utilizing the P-card and communication is kept at all times within the administration and the business office, management is in agreement that the use of the form as described in the policy is sound procedure. The School is currently utilizing the authorization form as prescribed in policy for all purchases along with ensuring that a purchase order is in place prior to any purchase. The principal, business manager and assistant business manager will be responsible for implementing these policies and will have them in place as of September 2015.

2015-001 Travel and Per Diem (Noncompliance in accordance with the New Mexico State Audit Rule)

Condition: The School used the Internal Revenue Service (IRS) standard rate from the previous year for mileage reimbursements. We reviewed one mileage reimbursement totaling \$72.71 for an employee's private vehicle and the reimbursement was paid at 100% of the IRS rate from the previous year.

Criteria: Per NMAC 2.42.2.11 mileage should be paid out for use in a private vehicle at 80% of the IRS standard rate set January 1 of the previous year for each mile traveled in a privately owned vehicle.

Effect: The School is not in compliance with New Mexico state statute and is overpaying employees for travel on behalf of the School.

Cause: The School did not have internal controls in place to ensure mileage reimbursements were paid in accordance with the New Mexico Per Diem and Mileage Act.

Recommendation: The School should follow the New Mexico Per Diem and Mileage Act for local governments when paying for mileage reimbursements.

Management's Response: The School is in disagreement that it is out of compliance concerning the mileage reimbursement rate chosen. Due to a lack of clarity and guidance from the PED, the School adopted a policy to pay the IRS rate of mileage for reimbursement at 100%. It is the School's belief that charter schools do not fall under the DFA rule for mileage reimbursement and are not subject to only allow for 80% of the IRS rate. The current policy was initially established at the recommendation of an external auditor. The policy will not again be changed until further clarification can be provided by the PED. Lastly, the School's legal counsel reviewed the mileage policy to ensure that the school is in compliance with all laws and regulations.

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Year Ended June 30, 2015**

NEW AMERICA SCHOOL (CONTINUED)

2015-001 Travel and Per Diem (Noncompliance in accordance with the New Mexico State Audit Rule)(Continued)

Auditor Rebuttal: Our determination is the School is in violation of the New Mexico Per Diem and Mileage Act and the School should revise their policy. All state authorized charter schools who have used 100% of the IRS rate have been issued this finding.

2015-002 Payroll (Noncompliance in accordance with the New Mexico State Audit Rule)

Condition: During our review of 25 payroll transactions, we found 2 employees where the School was improperly calculating employee and employer taxes for certain insurance deductions. The School treated pre-tax FICA deductions as post-tax FICA deductions for these two employees.

Criteria: Per the NMAC 6.20.2.12, the School District shall conduct independent checks on performance and proper valuation of recorded amounts, such as clerical checks, reconciliations, comparison of assets with recorded accountability, computer programmed controls, management review of reports that summarize the detail of accounts balances and user review of computer generated reports. The School is also required to maintain an internal control structure to demonstrate the school ability to record, process, summarize and report financial data. In addition, the internal control structure shall demonstrate that the school district identifies applicable law and regulations, and that procedures are designed to provide reasonable assurance that the school district complies with those laws and regulations.

Effect: The School and the employees paid more in taxes and benefits than what should have been paid.

Cause: When the deductions were entered into the payroll system, pre-tax FICA deductions were entered as post-tax FICA deductions.

Recommendation: Implement internal controls to ensure deductions are properly entered into the payroll system. A review should be performed for all employees to ensure deductions are properly calculated.

Management's Response: The business office has reviewed all voluntary deductions of current employees to determine the assigned designations. The accounting software has the designation of "Pre-Tax" listed for the deductions in question. The business office contacted the software administrator and determined that these deductions should have the designation of "Pre-Social" which encompasses FICA, Medicare, federal and state withholdings. "Pre-Tax" only encompasses federal and state withholdings. The voluntary deductions in question were corrected to the appropriate designation on 11/5/15. The business manager will be responsible for keeping these rates accurate and has implemented the correct rates as of November 2015.

**STATE OF NEW MEXICO
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NEW AMERICA SCHOOL (CONTINUED)

2015-003 Budgetary Conditions (Noncompliance in accordance with the New Mexico State Audit Rule)

Condition: The School did not properly budget prior year cash carry-over in the SB-9 Capital Improvements Fund 31700. Prior year cash carry-over was \$116,908 and the School budgeted \$123,027.

Criteria: Per NMAC 6.20.2.9 (A) every school district shall follow budget requirements stated in Sections 22-8-5 through 22-8-12.2, NMSA 1978, and procedures of the department in preparing, submitting, maintaining and reporting budgetary information.

Effect: The School is out of compliance with New Mexico state statute and the controls established by the use of budgets has been compromised, which would result in deficit fund balances and unnecessary usage of funds to cover the budgeted over expenditures.

Cause: The budget adjustment request did not consider prior year carry-over amounts for the SB-9 Capital Improvements fund and a budget adjustment request was not prepared and submitted to PED.

Recommendation: We recommend that the School establish a policy where the budget is reviewed at the end of each quarter and give consideration to deficits and ensure that designated cash is available to cover such overages.

Management's Response: FY13-14 marked the first year that the school received SB-9 Ad Valorem revenues. FY14-15 would then be the first year the school realized a cash carryover in capital funds. Processes during the course of a normal year hold that projected cash carryover amounts are "trued up" with the receipt of draft financials. Being that draft financials weren't provided until the end of the fiscal year due to the initial external auditor backing out of the FY14 audit, the school used its own internal financial statements to true up the cash carryover amount for the Operational fund. The SB-9 Fund 31700 was not included in this abnormal process. The business manager will do a final review of all funds prior to the end of each fiscal year regardless of the status of the audit to ensure that all funds have correct budget authority. It is noted that even though the school had authority to expend more than what was available in cash, expenditures did not exceed revenues resulting in a carryover in FY15 projected at an estimated \$168k. The business manager will be responsible for this and will have it implemented by July 2016.

NEW AMERICA SCHOOL – LAS CRUCES

2014-001 Mileage Reimbursements – (Compliance)

Condition: For the year ended June 30, 2015, auditor noted that the School reimbursed employees for mileage at a rate of fifty-five to fifty-seven and one-half cents per mile. Of the 21 travel items tested that included mileage reimbursements, 95% reimbursed a rate higher than the current statutory rate. Of these 21 items, the total excess reimbursed was \$2,469.68. There has been no progress made regarding this finding during fiscal year 2015.

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NEW AMERICA SCHOOL – LAS CRUCES (CONTINUED)

2014-001 Mileage Reimbursements – (Compliance)(Continued)

Criteria: NMAC 2.42.2.11 (B) (1) states public officers and employees of state agencies shall be reimbursed for mileage accrued in the use of a private automobile or aircraft in the official discharge of official duties as follows: “unless the secretary has reduced the rates set for mileage for any class of public officials and for employees of state agencies pursuant to Section 10-8-5 (D) NMSA, 80% of the internal revenue service standard mileage rate set January 1 of the previous year for each mile traveled in a privately owned vehicle.”

Effect: The School is not in compliance with New Mexico State Statutes in regards to mileage reimbursement.

Cause: The School contends that it is a Local Public Body and not a State Agency. As a Local Public Body, the school contends that it may reimburse mileage at the full amount authorized by the IRS. The New Mexico Public Education Department (PED) has indicated to the auditors that charter schools chartered under PED are a component unit of PED and should reimburse mileage at the rate approved for a State Agency.

Recommendation: The School should reimburse mileage at 80% of the internal revenue service standard mileage rate set January 1 of the previous year for each mile traveled in a privately owned vehicle.

Management’s Response: The school is aware of the mileage rate as set forth by the DFA at 80% of the IRS rate for the previous year. However, the determination was made at one point in time that charter schools do not fall under the same designation that would limit them to the same rate allowable as the DFA. Furthermore, across 3 different auditors over the past 6 years different determinations have been made concerning the amount that a charter school should/is allowed to pay for mileage reimbursement. Management will discuss with the school’s finance and audit committees in order to determine what to present to the governing council in full concerning school policy for mileage reimbursement going forward.

Auditor Rebuttal: Our determination is the School is in violation of the New Mexico Per Diem and Mileage Act and the School should revise their policy. All state authorized charter schools who have used 100% of the IRS rate have been issued this finding.

2014-002 Timely Deposits (Non-Compliance in Accordance with the New Mexico State Audit Rule)

Condition: During our cash receipts testing, we noted that the school could not provide proof of receipts issued for \$295.86 of the \$4,246.86 deposits tested.

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NEW AMERICA SCHOOL – LAS CRUCES (CONTINUED)

2014-002 Timely Deposits (Non-Compliance in Accordance with the New Mexico State Audit Rule)(Continued)

Criteria: Per NMAC 6.20.2.14.B states that “the school district shall issue a factory pre-numbered receipt for all money received. Pre-numbered receipts are to be controlled and secured. If a receipt is voided, all copies shall be marked “VOID” and retained in the receipt book.”

Effect: The School is not in compliance with State statute and has exposed itself to possible misappropriation of funds.

Cause: There is a lack of adequate controls over the issuance and maintenance of cash receipts.

Recommendation: The School should implement policies and procedures that track and maintain all items relating to cash receipts.

Management’s Response: The school currently has policies and procedures in place for the purpose of tracking all cash/revenue received and ensuring that deposits are made within the 24 hour statutory time frame. These policies and procedures will be reviewed and reinforced with the appropriate personnel.

2015-001 Budgetary Conditions – (Compliance)

Condition: The School has expenditure functions where actual expenditures exceeded budgetary authority for the following fund:

English Language Acquisition:	
Instruction	\$1,712

Criteria: Per NMAC 6.20.2.9, (A) every school district shall follow budget requirements stated in Sections 22-8-5 through 22-8-12.2 NMSA 1978, and procedures of the department in preparing, submitting, maintaining and reporting budgetary information. Budgetary control shall be at the function level. Over-expenditure of a function shall not be allowed.

Effect: The School is out of compliance with New Mexico state statute and the control established by the use of budgets has been compromised, which could result in deficit fund balances and unnecessary usage of operating funds to cover the over-expenditures.

Cause: Management was not adequately monitoring actual expenditures.

Recommendation: We recommend the School establish a policy of budgetary review by the governing council or finance committee at the end of each quarter and have the governing council approve the necessary budgetary adjustments to ensure funds are not over expended.

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NEW AMERICA SCHOOL – LAS CRUCES (CONTINUED)

2015-001 Budgetary Conditions – (Compliance)(Continued)

Management's Response: The NMPED currently has a threshold for which a school can act as its own fiduciary agent of federal fund awards. The school does not currently meet this threshold for its Fund 24153 Title III award. The NMPED therefore requires that the school have another school act as its fiduciary agent for the purpose of the flow-through of funds. This process was successful and the school was able to secure reimbursement through its fiduciary agent for all expenditures from this fund. However, the NMPED does not have anything in place that allows the school to establish budget authority over these funds. The school's business manager is currently working with the NMPED in order to establish budget authority while still maintaining the current flow-through process.

NEW MEXICO CONNECTIONS ACADEMY

2014-002 Mileage Reimbursements – (Compliance)

Condition: For the year ended June 30, 2015, it was noted that New Mexico Connections Academy reimbursed employees for mileage at a rate of fifty six cents per mile.

Criteria: NMAC 2.42.2.11 (B) (1) states public officers and employees of state agencies shall be reimbursed for mileage accrued in the use of a private automobile or aircraft in the official discharge of official duties as follows: "unless the secretary has reduced the rates set for mileage for any class of public officials and for employees of state agencies pursuant to Section 10-8-5 (D) NMSA, 80% of the internal revenue service standard mileage rate set January 1 of the previous year for each mile traveled in a privately owned vehicle."

Effect: The School is not in compliance with New Mexico State Statutes in regards to mileage reimbursement.

Cause: The School contends that it is a Local Public Body and not a State Agency. As a Local Public Body, the school contends that it may reimburse mileage at the full amount authorized by the IRS. The New Mexico Public Education Department (PED) has indicated to the auditors that charter schools chartered under PED are a component unit of PED and should reimburse mileage at the rate approved for a State Agency.

Recommendation: The School should reimburse mileage at 80% of the internal revenue service standard mileage rate set January 1 of the previous year for each mile traveled in a privately owned vehicle.

Management's Response: We disagree with this finding. The issue is not one of internal controls at the school but rather one of a change in opinion by the Public Education Department and external auditors. Previously the Public Education Department had issued a memorandum from the deputy secretary of education which stated charter schools were able to pay the mileage rate at the full IRS rate. Prior

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NEW MEXICO CONNECTIONS ACADEMY (CONTINUED)

2014-002 Mileage Reimbursements – (Compliance)(Continued)

auditors had given charter schools audit findings for paying at the rate suggested here. The school followed prior PED and auditor instruction in paying the rate. The finding should be that the PED and auditors should be consistent in the interpretations issued to schools.

Auditor's Rebuttal: It has been determined that the school is a component unit of the New Mexico Public Education Department. Because the school is a component unit of a State Agency, it must follow state statutes which limit mileage reimbursements to 80% of the Internal Revenue Service standard mileage rate.

2014-003 Dual Signatures on Checks – (Other Matter)

Condition: In a sample of sixty expenditures there were three instances (\$4,845.04, \$3,745.00, and \$3,033.83) in which checks were only signed by one authorized signer.

Criteria: NMAC 2.42.6.20.2.11 requires that schools establish and maintain an internal control structure to provide management with reasonable assurance that assets are safeguards against loss from unauthorized use. "The internal control structure shall include written administrative controls (rules, procedures, practices, and policies that affect the organization) and accounting controls (activity cycles, financial statement captions, accounting applications including computer systems) that are in accordance with GAAP." New Mexico Connections Academy has established an internal control policy that requires all checks of two thousand five hundred or more be signed by two authorized check signers.

Effect: The New Mexico Connections Academy violated its own internal policy in regards to check signing.

Cause: A second authorized check signer was not available when the checks were being processed.

Recommendation: The School should follow its own internal policy of having two authorized signers sign all checks of two thousand five hundred or more dollars.

Management's Response: The school will authorize two signors at the school site to make sure no checks over \$2,500 are mailed out without dual signatures. A review of the signed checks should ensure this error does not occur again. The Business Manager will ensure that two authorized signors are in place at the school site by December 31, 2015.

**STATE OF NEW MEXICO
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NEW MEXICO CONNECTIONS ACADEMY (CONTINUED)

2014-004 Purchase Order Subsequent to Invoice – (Significant Deficiency)

Condition: During our testing of sixty cash disbursements, there were four instances (\$1,504.12, \$407.12, \$350.00, and \$124.28) in which the Purchase Order was prepared subsequent to the vendor's invoice date.

Criteria: Section NMAC 6.20.2.17 (A), requires 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 et seq., NMSA 1978. An internal control structure over purchasing shall be established and maintained to assure compliance with school policy, and state and federal regulations. Also, the New Mexico Manual of Procedures for Public School Accounting and Budgeting, Supplement 13 – Purchasing, states that “the preparation and execution of a duly authorized purchase order must precede the placement of any order for goods, services or construction.”

Effect: Not being in compliance with state purchasing requirements places the School at risk for fraud or misuse of public funds.

Cause: School personnel did not follow established procurement policies of the School.

Recommendation: All School personnel should be reminded that initiation of a purchase order is not sufficient for ordering; that an approved Purchase Order is required per School and State guidelines.

Management's Response: School procedures will be emphasized to staff to ensure compliance with school policies and procedures as well as state laws and regulations. The Business Manager will coordinate this training. We anticipate that training will be completed by December 31, 2015.

2015-001 Personnel Files – (Compliance)

Condition: Ten personnel files were examined in our payroll testing. One of these files did not contain evidence supporting authorization for payroll deductions.

Criteria: NMAC 6.20.2.18 requires that schools maintain and have available for inspection the following employee record documentation: employment contracts (including increments), personnel/payroll action forms, certification records, employment eligibility verification (Federal Form I-9), federal and state withholding certificates, pay deduction authorizations, pay or position change notices, Educational Retirement Act plan application, and direct deposit authorizations.

Effect: The School is not in compliance with New Mexico State Statutes in regards to employee record documentation.

Cause: The School is not reviewing the personnel files for compliance with State Statutes.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
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NEW MEXICO CONNECTIONS ACADEMY (CONTINUED)

2015-001 Personnel Files – (Compliance)(Continued)

Recommendation: The School should review all personnel files to ensure that required documentation required by NMAC 6.20.2.18 is available.

Management's Response: The school has procedures in place to review all personnel files for completed required documents for each school employee. The Business Manager will ensure that all files have been reviewed by December 31, 2015.

NEW MEXICO INTERNATIONAL SCHOOL

2014-005 Cash Receipts – (Noncompliance in Accordance with the New Mexico State Audit Rule)

Condition: During our testwork over cash receipts we noted several instances where a deposit was in excess of \$100 and per review of the cash receipt supporting documentation the deposit was not made within the twenty-four hour requirement. We also noted instances in which a pre-numbered cash receipt was not available for our review and were therefore unable to determine if the cash receipt was deposited in the required time frame.

Criteria: NMAC 6.20.2.14.C requires that money received and receipted shall be deposited in the bank within twenty-four (24) hours or one banking day. If the distance to the bank is considerable, or the cash collection is limited to small amounts and/or low volume and it is impractical to meet the twenty-four hour/one banking day requirement, the local board may request approval from the department for an alternative plan.

Effect: The School is not in compliance with the cash deposits compliance requirements as stated at NMAC 6.20.2.14.C.

Cause: Procedures were not in place to ensure timely deposit of cash receipts in accordance with NMAC 6.20.2.14.C.

Recommendation: Ensure deposits are made in accordance with NMAC 6.20.2.14.C.

Management's Response: Deposits within 24 hours: as a charter school with limited staffing and resources there are times when all office staff are busy assisting with other school duties, making it difficult to make timely deposits. Every effort is made to make deposits within the NMAC requirements as we understand not doing this increases the risk of loss and/or fraud – a risk we wish to keep at an absolute minimum.

Non-issuance of a cash receipt: cash receipts not delivered via mail in the form of checks had not been issued a receipt, with the assumption that checks treated fraudulently would be discovered quickly, thus discouraging fraud in this form. After our discussion with the auditors, we now see the risks involved

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NEW MEXICO INTERNATIONAL SCHOOL (CONTINUED)

2014-005 Cash Receipts – (Noncompliance in Accordance with the New Mexico State Audit Rule)(Continued)

with all forms of cash receipts, including checks not received by mail and such receipts are now being recorded in our mail log or are being issued a cash receipt.

2015-001 ERB Contributions and Reports (Noncompliance in Accordance with the New Mexico State Audit Rule)

Condition: The New Mexico Educational Retirement Board (ERB) instructions for preparing the contribution form 100 report indicates that July and August accrued payrolls are to be included in the June form 100 report. The June 2015 reported submitted by the school did not include the July and August accrued payroll information. Further, the ERB requires that the contributions covered by the report are to be transmitted no later than the 15th of the month following the month covered by the report. The contributions related to the July and August accrued payrolls were transmitted in August and September.

Criteria: ERB instructions for preparing contribution form 100 report.

Effect: The School is not in compliance with the ERB rules for transmitting and reporting contributions and may be subject to penalties.

Cause: The School's new business manager was unaware of this requirement.

Recommendation: Ensure ERB contributions and reports are completed in accordance with the ERB rules and regulations.

Management's Response: The School's business manager has reread the ERB rules for Form 100 and is in the process of remedying this for fiscal year 2015 and will be following this requirement in all future years.

NEW MEXICO SCHOOL FOR THE ARTS

2015-001 Internal Control Structure- Noncompliance in accordance with the New Mexico State Audit Rule

Condition: During our internal control test work over a sample of 25 disbursements and 10 travel expenditures we noted a hotel charge for the amount of \$825.61 that did not have proper documentation to support the charge. The School's finance department paid off an e-mail request from the Instructional Support Specialist.

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NEW MEXICO SCHOOL FOR THE ARTS (CONTINUED)

2015-001 Internal Control Structure- Noncompliance in accordance with the New Mexico State Audit Rule (Continued)

Criteria: NMAC 6.20.2.11 (A) Internal Control Structure Standards, "Every school district shall establish and maintain an internal control structure to provide management with reasonable assurance that assets are safe-guarded against loss from unauthorized use or disposition that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with GAAP.

Effect: By not following applicable internal control procedures, the School is at risk of paying for services that are not allowable or valid expenditures. Such controls should be followed that preclude the School from paying more to a vendor than what is approved on the purchase order, making payments to a vendor/contractor without a proper invoice (or altered invoice), or paying off a quotation. This could result in funds being overspent and balances misstated. Also the proper maintenance of supporting documentation relating to financial transactions is necessary to mitigate possible dual payment of invoices and to resolve possible disputes with vendors, etc.

Cause: The School did not obtain all applicable information regarding the hotel charges that occurred.

Recommendation: Ensure the School follows internal controls over purchasing to ensure that all purchases are approved in accordance with School policies and procedures.

Management's Response: The school received a refund from the hotel in July 2015. However, for all future hotel payments, the school will issue a check to the employee who will hand deliver to the hotel for payment. The employee will then in turn submit the hotel receipt to the business office for check's supporting documentation.

2015-002 Internal Control Structure- Noncompliance in accordance with the New Mexico State Audit Rule

Condition: During our travel test work, we noted that a teacher took a trip with students and paid for various expenses related to the trip. Receipts were turned in for all charges except for two in the amounts of \$51.21 and \$16.31. As a result, the employee submitted the form "Affidavit of Lost or Unavailable Receipt." The form was completed but there was no approval by a member of the administration.

Criteria: NMAC 2.42.2.9 (B) (3) Receipts required, "Under circumstances where the loss of receipts would create a hardship, an affidavit from the officer or employee attesting to the expenses may be substituted for actual receipts. The affidavit must accompany the travel voucher and include the signature of the agency head or governing board."

Effect: The school is not in compliance with NMAC 2.42.2.9.

STATE OF NEW MEXICO
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NEW MEXICO SCHOOL FOR THE ARTS (CONTINUED)

2015-002 Internal Control Structure- Noncompliance in accordance with the New Mexico State Audit Rule (Continued)

Cause: The School has the applicable form in place for missing receipts but the School was not diligent in obtaining applicable approval for these missing receipts.

Recommendation: The School should continue utilizing the existing form in place at the School. In addition, review the form for reasonableness and make sure that it is signed off by the person submitting the form, and the agency head or a member of the governing board.

Management's Response: Although the administrator signed the check, the affidavit was missed in the process. For all future occurrences of lost receipts, the administrator will sign the form and the business manager will review to ensure completeness.

2015-003 Excess of Expenditures over Budget (Non-Compliance in Accordance with the New Mexico State Audit Rule)

Condition: The School has an expenditure function where actual expenditures exceeded budgetary authority:

Private Direct Grants	
Instruction	\$796

Criteria: Per NMAC 6.20.2.9 (A) every school district shall follow budget requirements stated in Sections 22-8-5 through 22-8-12.2, NMSA 1978, and procedures of the department in preparing, submitting, maintaining and reporting budgetary information. Budgetary control shall be at the function level. Over expenditure of a function shall not be allowed.

Effect: The School expenditures in the above function exceeded the total approved budgeted expenditures by \$796.

Cause: Budgetary controls were not in place to adequately monitor and regularly compare budget to actual results. As a result, measures were not taken to avoid or minimize the amount that actual expenditures exceeded the approved budget for the School's Private Grants fund.

Recommendation: Budget adjustment requests should be presented to and approved by PED before expending funds in excess of budget. Controls should be implemented to ensure that budgeted amounts are compared to actual on a regular basis and the budget effectively utilized for controlling expenses and managing cash flow.

Management's Response: The school currently reviews the budget balances on a monthly basis and submits necessary BARs to the governance council for their approval.

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NORTH VALLEY ACADEMY

2014-002 Mileage Reimbursements – (Compliance)

Condition: In a sample of three travel reimbursements tested, there was one instance where an employee was reimbursed for mileage at a rate above those that are established by the State of New Mexico Per Diem and Mileage Act. The employee was reimbursed fifty six cents per mile. It is estimated that the employee was over reimbursed by \$18.48.

Criteria: NMAC 2.42.2.11 (B) (1) states public officers and employees of state agencies shall be reimbursed for mileage accrued in the use of a private automobile or aircraft in the official discharge of official duties as follows: “unless the secretary has reduced the rates set for mileage for any class of public officials and for employees of state agencies pursuant to Section 10-8-5 (D) NMSA, 80% of the internal revenue service standard mileage rate set January 1 of the previous year for each mile traveled in a privately owned vehicle.”

Effect: The North Valley Academy is not in compliance with New Mexico State Statutes in regards to mileage reimbursement.

Cause: The North Valley Academy contends that it is a Local Public Body and not a State Agency. As a Local Public Body, the school contends that it may reimburse mileage at the full amount authorized by the IRS. The New Mexico Public Education Department (PED) has indicated to the auditors that charter schools chartered under PED are a component unit of PED and should reimburse mileage at the rate approved for a state agency.

Recommendation: The School should reimburse mileage at 80% of the internal revenue service standard mileage rate set January 1 of the previous year for each mile traveled in a privately owned vehicle.

Management’s Response: North Valley Academy does not agree with PED’s classification of state authorized charters as a state agency. Statutory support has been provided to the auditors to support North Valley Academy’s assertion that a charter school is a local public body, which enables the school to pay up to 100% of the prior year IRS mileage rate. In order to avoid a repeat audit finding in the future, the school will reimburse its employees at 80% of the internal revenue service standard mileage rate set January 1 of the previous year for each mile traveled in a privately owned vehicle. The business manager will be responsible for the implementation of this policy. Implementation will be completed by December 31st.

Auditor’s Rebuttal: It has been determined that the school is a component unit of the New Mexico Public Education Department. Because the school is a component unit of a State Agency, it must follow state statutes which limit mileage reimbursements to 80% of the Internal Revenue Service standard mileage rate.

**STATE OF NEW MEXICO
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NORTH VALLEY ACADEMY (CONTINUED)

2015-001 Procurement Documentation – (Significant Deficiency)

Condition: During our test-work of sixty cash disbursements we noted three disbursements (\$161.56, \$3,030.00 and \$4,087.55) where the purchase order was prepared subsequent to the vendor's invoice date.

Criteria: Section NMAC 6.20.2.17 (A), requires 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 et seq., NMSA 1978. An internal control structure over purchasing shall be established and maintained to assure compliance with school policy, and state and federal regulations. Also, the New Mexico Manual of Procedures for Public School Accounting and Budgeting, Supplement 13 – Purchasing, states that “the preparation and execution of a duly authorized purchase order must precede the placement of any order for goods, services or construction.”

Effect: Not being in compliance with state purchasing requirements places the School at risk for fraud or misuse of public funds.

Cause: School personnel did not follow established procurement policies of the School.

Recommendation: The School should maintain supporting documentation for all cash disbursements. All School personnel should be reminded that initiation of a purchase order is not sufficient for ordering; that an approved Purchase Order is required per School and State guidelines.

Management's Response: The Business Manager will review internal procedures with all staff to ensure that purchases do not occur prior to the issuance of a Purchase Order. This will be completed by December 31st.

2015-002 Timely Deposits (Compliance)

Condition: During our cash receipts testing, we selected fifteen activity fund deposits for testing. In this testing we noted one deposit of \$160.00 in where several of the individual receipts were not deposited within twenty-four (24) hours after being received

Criteria: Per NMAC 6.20.2.14.B states that “money received and receipted shall be deposited in the bank within twenty-four (24) hours or one banking day.”

Effect: The School is not in compliance with State statute and has exposed itself to possible misappropriation of funds.

Cause: There is a lack of adequate controls over cash and cash receipts.

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NORTH VALLEY ACADEMY (CONTINUED)

2015-002 Timely Deposits (Compliance)(Continued)

Recommendation: The School should implement policies and procedures that track and maintain all items relating to cash receipts and ensure deposits are made timely.

Management's Response: The Business Manager will review the twenty-four hour deposit requirements with the appropriate personnel. In addition, a back-up procedure will be established in case of an employee absence that would prohibit funds to be deposited timely. This will be completed by December 31st.

RALPH J. BUNCHE ACADEMY

2015-001 Budgetary Condition – (Compliance)

Condition: The School had a fund where actual expenditures exceeded budgetary authority:

Operational Fund – Support Services	\$42,487
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Criteria: Sound financial management and 6.20.2.9 (A) NMAC and 22-8-5 through 22- 8-12.2 NMSA 1978 require that budgets not be exceeded at the legal level of control. For school districts the function is the legal level of control.

Effect: The school is out of compliance with State Law and the control established by the use of budgets has been compromised.

Cause: A budget adjustment request was never submitted to account for the additional expenditures incurred.

Recommendation: The School should establish a policy of budgetary review at year-end and make the necessary budgetary adjustments.

Management's Response: The School has ceased operations. Management was not available to respond.

2015-002- PED Cash Report- (Compliance)

Condition: A New Mexico Department of Public Education (PED) cash report was not available for June 30, 2015.

Criteria: According to State regulation 6.20.2.11 (B) (6), NMAC and Regulation SBE-6, the reports sent to the New Mexico Public Education Department (PED) must agree to the general ledger. Per the New Mexico State Audit Rule, the audit report of each school district shall include a cash reconciliation

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RALPH J. BUNCHE ACADEMY (CONTINUED)

2015-002- PED Cash Report- (Compliance)(Continued)

schedule which reconciled the cash balance as of the end of the previous fiscal year to the cash balance at the end of the current fiscal year.

Effect: PED may not have an accurate reflection of the school's cash balances.

Cause: The School closed at the end of fiscal year 2014. Financial activity in fiscal year 2015 was for the purpose of paying out liabilities incurred up to the time of the school's closure. The school did not think PED cash reports were required as the school is now closed.

Recommendation: The School should prepare PED cash reports or obtain written permission from PED that the cash reports no longer need to be filed.

Management's Response: The School has ceased operations. Management was not available to respond.

RED RIVER VALLEY CHARTER SCHOOL

2015-001 Procurement (Non-compliance in Accordance with the New Mexico State Audit Rule)

Condition: The School does not have a chief procurement officer.

Criteria: NMSA 13-1-95.2 states "On or before January 1, 2015, the state purchasing agent shall establish a certification program for chief procurement officers that includes initial certification and recertification every two years for all chief procurement officers. In order to be recertified, a chief procurement officer shall pass a recertification examination approved by the secretary of general services."

Effect: The School is not in compliance with NMSA 13-1-95.2.

Cause: Due to the size of the School, it's difficult to find an individual with available time to go through the certification process.

Recommendation: Ensure an individual from the School or associated with the School completes the certification program for chief procurement officers.

Management's Response: Red River Valley Charter School has already made arrangements through its business manager to contract with a procurement officer, who is qualified under the state's certification program for chief procurement officers, on an as-needed basis. The business manager and principal have resolved this issue as of October 2015.

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RED RIVER VALLEY CHARTER SCHOOL (CONTINUED)

2015-002 Payroll (Significant Deficiency, Non-compliance in Accordance with the New Mexico State Audit Rule)

Condition: During our testwork over payroll expenditures we found two employees that were working more than 25% of a full time equivalent (FTE) but were not contributing to the New Mexico Education Retirement Board (NMERB).

Criteria: Employees working more than 25% of a FTE are considered Educational Retirement Act covered employees.

Effect: The School is not in compliance with the Educational Retirement Act and the employees and the School are not making required contributions.

Cause: Internal controls were not in place to ensure employees working more than 25% of a FTE were making the required contributions to the NMERB.

Recommendation: Implement internal controls to ensure all employees working more than 25% of a FTE are making the required contributions to the NMERB. When employees change their percentage of time worked, ensure these changes are properly reflected in the payroll system.

Management's Response: The Red River Valley Charter School business manager has already implemented changes in the payroll procedures in FY16 to ensure all employees working more than 25% of an FTE are making the required contributions to the NMERB. The business manager has implemented these changes as of October 2015.

2015-003 Cash Receipts (Non-compliance in Accordance with the New Mexico State Audit Rule)

Condition: The School's cash receipts policy states the person collecting lunch fees (cashier) shall count money collected on a daily basis, prepare the cafeteria cash fund report, and submit each to the secretary. It goes on to state that the secretary shall verify the amount collected and prepare a receipt to the cashier. Based on our review of cash receipts, a report is prepared on a daily basis; however, the secretary does not prepare a receipt to the cashier verifying the amount collected.

Criteria: NMAC 6.20.2 states "School districts shall establish and maintain a cash management program to safeguard cash and provide prompt and accurate reporting that adheres to cash management requirements of the office of management and budget (OMB) Circular A-102, and applicable state and federal laws and regulations."

Effect: The School is not in compliance with their cash receipts policy.

Cause: Internal policies and procedures are not being followed.

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RED RIVER VALLEY CHARTER SCHOOL (CONTINUED)

2015-003 Cash Receipts (Non-compliance in Accordance with the New Mexico State Audit Rule)(Continued)

Recommendation: Ensure that cash receipts from the lunch program are properly handled. The secretary should verify the amount collected and prepare a receipt to the cashier.

Management's Response: Red River Valley Charter School management will implement procedures for the handling of school lunch program cash receipts and the preparation of daily cashier lunch receipts by January 1, 2016. The School's principal and office manager are responsible for correcting this finding.

2015-004 Annual Inventory (Non-compliance in Accordance with the New Mexico State Audit Rule)

Condition: The School did not perform an annual inventory of its capital assets during fiscal year 2015.

Criteria: Section 12-6-10(A) NMSA 1978 requires each agency to conduct an annual physical inventory of moveable chattels and equipment on the inventory list at the end of each fiscal year. The agency shall certify the correctness of the inventory after the physical inventory. This certification should be provided to the agency's auditors.

Effect: The School is not in compliance with state requirements regarding capital asset inventory.

Cause: Internal controls are not in place to ensure an annual inventory is performed.

Recommendation: On an annual basis, complete an inventory of the School's capital assets.

Management's Response: Red River Valley Charter School will conduct an inventory of the School's capital assets before the end of the current fiscal year. The School's principal is responsible for correcting this finding and the School expects to have this corrected by the end of the current fiscal year 2016.

SAGE MONTESSORI CHARTER SCHOOL

2014-002 Personnel Files (Noncompliance in Accordance with the New Mexico State Audit Rule)

Condition: During our testwork over a sample of 25 payroll transactions, we noted the following:

- Four employees whose background check was not on file.
- Four employees whose I-9 was not on file.
- Two employees whose W-4 was not on file.

This finding was reported in 2014 and the School is in the process of ensuring all required documents are maintained.

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SAGE MONTESSORI CHARTER SCHOOL (CONTINUED)

2014-002 Personnel Files (Noncompliance in Accordance with the New Mexico State Audit Rule)(Continued)

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

Effect: The School is not in compliance with NMAC 6.20.2.18 in regards to maintaining employee records and documentation.

Cause: Internal controls were not in place to ensure required documentation is obtained and/or maintained for all employees.

Recommendation: Personnel files should be periodically reviewed to ensure all required personnel file documents have been obtained and are complete and accurate. The School should ensure controls are in place to obtain required payroll documents when employees initially begin employment.

Management's Response: A review of procedures over employee files will be completed to confirm that each employee's file is complete. The administrative staff and business manager will be responsible for ensuring that employee files are completed and the School expects to have this implemented by January 2016.

2015-001 Procurement Code and Internal Control Structure (Noncompliance in Accordance with the New Mexico State Audit Rule)

Condition: During our internal control testwork over a sample of 25 cash disbursements we noted the following:

- One instance where the School did not go out to bid for non-professional services to rent classroom furniture. Total amount paid to the vendor was \$27,067 during the year.
- The School incurred a late fee of \$98 for paying their November 2014 furniture rental invoice late.

Criteria: Per NMAC 6.20.2.17 each school district shall establish and implement written policies and procedures for purchasing which shall be in compliance with the Procurement Code, Section 13-1-21 et seq., NMSA 1978. Purchasing policies and procedures for grant funding shall comply with requirements established within the grant and the Procurement Code. An internal control structure over purchasing shall be established and maintained to assure compliance with school district policy, and state and federal regulations. NMSA Article I, Section 13-1-104 states Central purchasing offices shall send copies of the notice or invitation for bids involving the expenditure of more than twenty thousand dollars

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SAGE MONTESSORI CHARTER SCHOOL (CONTINUED)

2015-001 Procurement Code and Internal Control Structure (Noncompliance in Accordance with the New Mexico State Audit Rule)(Continued)

(\$20,000) to those businesses that have signified in writing an interest in submitting bids for particular categories of items of tangible personal property, construction and services and that have paid any required fees.

All funds allocated to the School are to be spent on allowable expenditures in accordance with NMAC 6.20.2. Sound business practices require that payments to vendors be made timely per OMB Circular A-87, fines, penalties, damages or other settlements resulting from violations of, or failure of the governmental unit to comply with, Federal, State, Local or Indian tribal laws and regulations are unallowable.

Effect: The School could be overpaying for services and/or goods due to not following their procurement policies and incurring additional expenses by not paying invoices in a timely manner.

Cause: Internal controls were not in place to ensure the School's procurement policy was properly followed. Regarding the late payment, it was not submitted timely causing the School to incur a penalty.

Recommendation: For nonprofessional purchases between \$20,000 and \$60,000, the School should solicit no fewer than three businesses via written requests containing the specifications for the procurement. In addition, implement an internal control system to ensure that payments are processed and paid timely.

Management's Response: Because of the facility, the School opened a second campus for half of the year. Additional furniture and equipment was needed because of the second campus. The school did research on various options available to supply the second facility. The governing council was kept informed throughout the process. Because of issues incurred with this transition the late fee was incurred. The school does have policies and procedures in place and will ensure they get implemented and that all bills get paid in a timely manner. The administrative staff and business manager will be responsible for following procurement procedures and expect this to be implemented by January 2016.

2015-002 Payroll Transactions (Significant Deficiency and Non-Compliance in Accordance with the New Mexico State Audit Rule)

Condition: During our testwork over a sample of 25 payroll transactions, we noted the following:

- For nine employees reviewed, the School was improperly calculating employee and employer taxes for certain insurances. The School treated employee health insurance deductions as a post-tax deduction and treated employee vision and dental deductions as a pre-tax deduction.
- An employee was paid as a Level II teacher when they should have been paid as a Level I teacher which resulted in a \$10,417 overpayment. School personnel discovered the mistake and the

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SAGE MONTESSORI CHARTER SCHOOL (CONTINUED)

2015-002 Payroll Transactions (Significant Deficiency and Non-Compliance in Accordance with the New Mexico State Audit Rule)(Continued)

employee is repaying the School for the overpayment. However, the repayment terms do not account for overpayments related to retirement contributions, employer taxes, etc. In addition, the employee is paying additional taxes due to this error.

- The School did not get approval for a return to work employee.

Criteria: Per NMAC 6.20.2.18 the local board shall establish written payroll policies and procedures which comply with state and federal regulations on payroll as well as maintaining strict internal controls, close supervision and financial accounting in accordance with GAAP. To participate in the return-to-work program, an application must be submitted and approved by the New Mexico Educational Retirement Board.

Effect: The School incurred unnecessary expenditures and did not follow the return-to-work policy guidelines.

Cause: The School is not treating insurance deductions in a consistent manner and also paid one teacher at a higher pay level than what should have been paid. When requiring the employee to repay the School, the School did not handle the situation correctly to ensure all overpayments were repaid. Internal controls were not in place to ensure approval was obtained for a return-to-work employee.

Recommendation: Implement internal controls to ensure deductions are properly calculated and teachers are paid at the correct level. An application, which can be obtained from the ERB website, should be completed and approved prior to employing a return-to-work employee.

Management's Response: A review of the correct tax withholding is currently being undertaken. Our research indicates that without a section 125 cafeteria plan, the health insurance are post tax deductions. This will be verified and the correct tax determination will be implemented. Processes to review correct teacher pay and ERB status will be implemented. The business manager will be responsible for implementing the correct deductions and the School plans on having them in the system by March 2016.

STATE OF NEW MEXICO
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SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2015

SAGE MONTESSORI CHARTER SCHOOL (CONTINUED)

2015 – 003 Excess of Expenditures over Budget - (Non-Compliance in Accordance with the New Mexico State Audit Rule)

Condition: The School has expenditure functions where actual expenditures exceeded budgetary authority:

Federal Charter Planning	
Instruction	\$14,851
Central Services	\$ 5,000
Teacher Principal Training	
School Administration	\$125

Criteria: Per NMAC 6.20.2.9 (A) every school district shall follow budget requirements stated in Sections 22-8-5 through 22-8-12.2, NMSA 1978, and procedures of the department in preparing, submitting, maintaining and reporting budgetary information. Budgetary control shall be at the function level. Over-expenditure of a function shall not be allowed.

Effect: The School's expenditures in the above functions exceeded the total approved budgeted expenditures.

Cause: Budgetary controls were not in place to adequately monitor and regularly compare budget to actual results. As a result, measures were not taken to avoid or minimize the amount that actual expenditures exceeded the approved budget for the School's Federal Charter School Planning and Teacher/Principal Training funds.

Recommendation: Budget adjustment requests should be presented to and approved by PED before expending funds in excess of the budget. Controls should be implemented to ensure that budgeted amounts are compared to actual on a regular basis and the budget effectively utilized for controlling expenses and managing cash flow.

Management's Response: The Public Education Department (PED) would not allow the School to enter a budget adjustment request (BAR) for the fund 24146 since the grant had been closed. Even though the fund had been closed, PED did not wire the School the money from request for reimbursements (RfR) in the previous year until this fiscal year. The School paid the remaining invoices upon receipt of the funds from the RfR's submitted in fiscal year 2014. The School does have policies and procedures in place and they will be implemented. The business manager will be responsible for ensuring that the budgetary controls are in place and expect to have them in place by June 2016.

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Year Ended June 30, 2015**

SCHOOL OF DREAMS ACADEMY

2014-001 Per Diem and Mileage Act (Other Matter)

Condition: Through testing procedures performed, we identified the following instance of noncompliance:

- In 3 of 10 travel and per diem reimbursements tested, the employee was reimbursed at the maximum per diem amount allowable (\$30 in-state, \$45 out-of-state), amounting to total reimbursements of \$285. The employee did not provide receipts for actual meal expenses for reimbursement.
- In 1 of 10 travel and per diem reimbursements tested, the employee was reimbursed at the maximum allowable out of-state rate of \$45 per day, amounting to \$180; however the employee was traveling in-state, and therefore should only have been reimbursed up to \$30 per day. The employee did not provide receipts for actual meal expenses for reimbursement.

Management has demonstrated a lack of progress in implementing the prior year corrective action plan.

Criteria: According to NMAC 2.42.2.9(B)(2) and NMAC 2.42.2.9(B)(3) and the School of Dreams Academy's (SODA) Internal Control Policies manual, receipts must be provided for meals, and the total amount per day must not exceed \$30 for in-state travel, and \$45 for out-of-state travel. Meals should be reimbursed based on the actual amount expended, not at the daily maximum amount provided for in the Per Diem and Mileage Act.

Effect: SODA is not in compliance with the Per Diem and Mileage Act, nor is SODA in compliance with its own Internal Control Policy manual, and may have reimbursed the employee in excess of what the employee actually expended for meals.

Cause: SODA does not have an adequate understanding of the Per Diem and Mileage Act.

Recommendation: We recommend that SODA review the Per Diem and Mileage Act, and its own internal control policies manual on a regular basis to ensure employees understand and comply with the rules and regulations governing reimbursement for these types of expenditures.

Management's Response: Audit Committee reviewed and has re-addressed that actual receipt to be turned in so that the School of Dreams Academy is in compliance with the Per Diem and Mileage Act. This will be included in the annual staff return training. This has been implemented October 2015.

2015-001 Controls over Cash Disbursements (Other Matter)

Condition: Through testing procedures performed, we noted the following:

- In a sample of 25 disbursements tested, we noted one instance where the invoice was dated prior to the purchase order.

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Year Ended June 30, 2015**

SCHOOL OF DREAMS ACADEMY (CONTINUED)

2015-001 Controls over Cash Disbursements (Other Matter)(Continued)

Criteria: Per NMAC 6.20.2.11 Internal Control Structure Standards, every school district shall establish and main an internal control structure to provide management with reasonable assurance that assets are safe-guarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management’s authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with GAAP.

Effect: Without proper approval, purchases for unauthorized goods or services may occur.

Cause: Processes and procedures in place were by-passed by those involved in the purchasing process.

Recommendation: We recommend that SODA develop and implement internal controls over purchasing procedures to ensure that all purchases are approved in accordance with SODA policies and procedures. Goods and/or services should not be ordered by the Administrative Assistant or Prinicipal until all required authorizing signatures are obtained.

Management’s Response: The audit committee has review and will continue to implement and improve procedures to address the purchase request be completed, then the purchase order be approved before any services or good are ordered. This has been implemented October 2015.

2015-002 Expenditures Exceed Budget (Other Matter)

Condition: The Charter has expenditure functions where actual expenditures exceeded budgetary authority:

<u>Fund</u>	<u>Excess of Expenditures over Appropriations</u>
Title I IASA (24101)	
Support Services – Students	\$ (500)
Early College High School	
Support Services – Instruction	\$ (13,038)

Criteria: According to 6.20.2.9 NMAC, budgetary control shall be at the function level. Over-expenditure of a function shall not be allowed.

Effect: The Charter is non-compliant with State Law.

Cause: A budget adjustment request was not submitted to account for additional expenditures incurred.

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SCHOOL OF DREAMS ACADEMY (CONTINUED)

2015-002 Expenditures Exceed Budget (Other Matter)(Continued)

Recommendation: We recommend that SODA establish a policy of budgetary review at year-end to make the necessary budgetary adjustments.

Management's Response: The audit committee has re-viewed. BAR's for this was issued to the NMPED, the approval process did not get released due to the short turnaround time. This will be addressed to set an end purchase ordered date in March to all orders are received and any transfer needed will be completed in sufficient time for NMPED.

SOUTHWEST AERONAUTICS, MATHEMATICS, AND SCIENCE ACADEMY

2014-001 Lack of Internal Controls over Accounting Records (Material Weakness)

Condition: In the prior year audit of the Southwest Aeronautics, Mathematics and Science Academy (SAMS), we were unable to obtain sufficient appropriate audit evidence to perform audit procedures over the following areas: cash, accounts receivable, capital assets, accounts payable, accrued liabilities, fund balance/net assets, revenue, and expenditures. In the current fiscal year, the SAMS hired a third party consulting firm to assist with the SAMS's daily accounting and also to resolve its finding related to internal controls. In the current year audit, we were able to obtain sufficient appropriate audit evidence surrounding cash, accounts receivable, accounts payable, and fund balance/net assets. There has been progress surrounding the accounting records and we were able to review ten months' worth of records as well as account reconciliations. However, the SAMS was unable to provide supporting documentation to support the reported balances as a whole and its funds.

During our testwork over internal controls, we noted the following discrepancies:

- Management was unable to provide two of the twenty-nine cash disbursement transactions selected for sample amounting to \$901.
- Management was unable to provide six of the thirty personnel files for pay checks amounting to \$3,717.
- In two out of thirty payroll disbursements tested, the employee's annual contract amount divided by the number of installment payments did not equal the gross pay per the payroll register resulting in a total difference of \$992.
- Outstanding checks in the School's checking account include four checks totaling \$461 which have been outstanding more than ninety days.
- The School was unable to provide a listing of capital assets

Per our inquiry with the current business manager and correspondence with the Office of the State Auditor (OSA) any documents that the SAMS did have were seized by the Federal Bureau of Investigation (FBI) in August 2014 as they are investigating potential fraud of substantial payments of

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SOUTHWEST AERONAUTICS, MATHEMATICS, AND SCIENCE ACADEMY (CONTINUED)

2014-001 Lack of Internal Controls over Accounting Records (Material Weakness)(Continued)

public funds to the private business of the schools previous Head Administrator. As such, we were unable to apply audit procedures and are unable to provide an audit opinion on the SAMS.

Criteria: Pursuant to 6.20.2.11, every school shall establish and maintain an internal control structure to provide management with reasonable assurance that assets are safe-guarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with GAAP, and that state and federal programs are managed in compliance with applicable laws and regulations. Additionally, pursuant to 6.20.2.13, the school shall maintain adequate accounting records, prepare financial statements in accordance with GAAP (specifically, GASB 34), and provide complete, accurate, and timely information to the independent public accountant (IPA) as requested. *Effect:* The SAMS lack of internal control over accounting records limits management's ability to monitor the accuracy of transactions and provide assurance with respect to public funds. Also, when sufficient controls are not designed, implemented and operating effectively, it increases the risk of financial misstatements going undetected and an increased risk of theft or fraud.

Cause: The SAMS records were in disarray as the previous Head Administrator did not maintain complete and accurate records. Any documentation the SAMS did have were seized by the FBI as part of their investigation related to the previous Head Administrator.

Recommendation: We recommend that the SAMS design and implement controls to ensure adequate accounting records are maintained, complete, and reconciled timely in order to provide complete, accurate, and timely information to the IPA. Furthermore, the SAMS should establish and maintain an internal control structure to provide management with reasonable assurance that assets are safe-guarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with GAAP, and that state and federal programs are managed in compliance with applicable laws and regulations.

Management's Response: The school has hired a new administrator along with new contracted business managers. The NM Public Education Department has also taken over the school's Board of Finance. The individuals assigned to work on the financial issues of the school are working together to develop an internal control environment and structure that will safeguard the assets of the school while maintaining compliance with legal and regulatory requirements and appropriately recording and reporting financial activities of the school.

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SOUTHWEST AERONAUTICS, MATHEMATICS, AND SCIENCE ACADEMY (CONTINUED)

2014-002 State Audit Rule (Non Compliance)

Condition: As noted within finding 2014-001, during our testwork over Southwest Aeronautics, Mathematics and Science Academy (SAMS), we were unable to obtain sufficient appropriate audit evidence to perform audit procedures over account balances in the prior year audit.

- Procurement Code (Sections 13-1-1 to 13-1-199 NMSA 1978) and State Purchasing Regulations 1.4.1 NMAC;
- Per Diem and Mileage Act (Sections 10-8-1 to 10-8-8 NMSA 1978), Regulations Governing the Per Diem and Mileage Act, and 2.42.2.11 NMAC;
- Public Money (Sections 6-10-1 to 6-10-63 NMSA 1978);
- Public School Finance Act (Sections 22-8-1 to 22-8-48 NMSA 1978);
- Investment of Public Money (Sections 6-8-1 to 6-8-21 NMSA 1978);
- Educational Retirement Act (Sections 22-11-1 to 22-11-55 NMSA 1978);
- Sale of Public Property (Sections 13-6-1 to 13-6-8 NMSA 1978);
- Anti-Donation Clause (NM Constitution Article IX, Section 14);
- Budget Compliance (Sections 22-8-5 through 22-8-12.2, NMSA 1978);
- Lease Purchase Agreements (New Mexico Constitution Article IX, Section 8 and 11; Sections 6-6-11 to 6-6-12 NMSA 1978; *Montano v. Gabaldon*, 108 NM 94, 766 P.2d 1328, 1989);
- Retiree Health Care Authority Act (Section 10-7C-1 to 10-7C-19 NMSA 1978);
- Compliance with PED Regulation Section 6.20.2 NMAC, *Governing Budgeting and Accounting for New Mexico Public Schools and School Districts* and the *Manual of Procedures*, primarily Supplement 7, *Cash Controls*;
- Inclusion of the cash reconciliation schedule which reconciles the cash balance as of the end of the previous fiscal year to the cash balance as of the end of the current fiscal year (Section 2.2.2.12 C (4)(b));
- New Mexico Public Schools Insurance Authority (NMPSIA) (Section 2.2.2.12 C (6))
- Annual Physical Inventory (Section 12-6-10 NMSA 1978)

As mentioned in the condition of finding 2014-001, the SAMS has hired a third party consulting firm to assist with the its daily accounting and resolve its finding related to State Auditor compliance. However, we were noted the following deficiencies related to State Auditor compliance testwork:

- SAMS is not using 80 percent of the standard mileage rate causing a mileage reimbursement excess of \$48.
- Management was unable to provide sufficient evidence of the board's approved budget.
- Management was unable to provide two out of the twelve Educational Retirement Board (ERB) Contribution Forms to test for compliance with the New Mexico State Auditor Rule.
- Management was unable to provide three out of the twelve Retiree Health Care Act (RHCA) Contribution Forms to test for compliance with the New Mexico State Auditor Rule.

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SOUTHWEST AERONAUTICS, MATHEMATICS, AND SCIENCE ACADEMY (CONTINUED)

2014-002 State Audit Rule (Non Compliance)(Continued)

- We noted that in three out of thirty payroll transactions tested, the employee's portion of their Educational Retirement Board contribution was calculated at the incorrect contribution rate causing an overstatement of \$44.
- Because the School did not provide pledged collateral documentation, it appears that the SAMS was under collateralized by \$504,335 at June 30, 2015.
- In the cash receipt tested, the deposit totaling \$35 was not made within twenty-four hours of receipt.
- The School did not perform an annual physical inventory during the year

Criteria: Pursuant to 6.20.2.13, the school shall maintain adequate accounting records, prepare financial statements in accordance with GAAP (specifically, GASB 34), and provide complete, accurate, and timely information to the independent public accountant (IPA) as requested.

Effect: The SAMS is not in compliance with State law.

Cause: The SAMS records were in disarray as the previous Head Administrator did not maintain complete and accurate records. Any documentation the SAMS did have were seized by the FBI as part of their investigation related to the previous Head Administrator.

Recommendation: We recommend that the SAMS design and implement controls to ensure adequate accounting records are maintained, complete, and reconciled timely in order to provide complete, accurate, and timely information to the IPA.

Management's Response: The school's new administrator along with new contracted business managers and the NM Public Education Department are working to ensure records are maintained to document compliance with legal and regulatory requirements and appropriate recording and reporting of financial activities of the school. In addition, the new administration working with its governing council and finance committee review financial activity to ensure appropriate accountability for the school and maintenance of documentation to be available to the IPA.

SOUTHWEST INTERMEDIATE LEARNING CENTER

2014-001 Lack of Internal Controls over Accounting Records (Material Weakness)

Condition: In the prior year audit of the Southwest Intermediate Learning Center (SILC), we were unable to obtain sufficient appropriate audit evidence to perform audit procedures over the following areas: cash, accounts receivable, capital assets, accounts payable, accrued liabilities, fund balance/net assets, revenue, and expenditures. In the current fiscal year, the SILC hired a third party consulting firm to assist with the SILC's daily accounting and also to resolve its finding related to internal controls. In the

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SOUTHWEST INTERMEDIATE LEARNING CENTER (CONTINUED)

2014-001 Lack of Internal Controls over Accounting Records (Material Weakness)(Continued)

current year audit, we were able to obtain sufficient appropriate audit evidence surrounding cash, accounts receivable, accounts payable, and fund balance/net assets. There has been progress surrounding the accounting records and we were able to review ten months' worth of records as well as account reconciliations. However, the SILC was unable to provide supporting documentation to support the reported balances as a whole and its funds.

During our testwork over internal controls, we noted the following discrepancies:

- Management was unable to provide two of the thirty cash disbursement transactions selected for testing amounting to \$9,024.
- Two transactions out of thirty tested amounting to \$1,099, the purchase order was not properly authorized, indicating that the purchase was not properly approved before it was made.
- Management was unable to provide nine of the thirty personnel files for pay checks amounting to \$5,988.
- Outstanding checks in the School's checking account include four checks totaling \$1,619 which have been outstanding more than ninety days.
- The School was unable to provide a listing of capital assets

Per our inquiry with the current business manager and correspondence with the Office of the State Auditor (OSA) any documents that the SILC did have were seized by the Federal Bureau of Investigation (FBI) in August 2014 as they are investigating potential fraud of substantial payments of public funds to the private business of the schools previous Head Administrator. As such, we were unable to apply audit procedures and are unable to provide an audit opinion on the SILC.

Criteria: Pursuant to 6.20.2.11, every school shall establish and maintain an internal control structure to provide management with reasonable assurance that assets are safe-guarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with GAAP, and that state and federal programs are managed in compliance with applicable laws and regulations. Additionally, pursuant to 6.20.2.13, the school shall maintain adequate accounting records, prepare financial statements in accordance with GAAP (specifically, GASB 34), and provide complete, accurate, and timely information to the independent public accountant (IPA) as requested.

Effect: The SILC lack of internal control over accounting records limits management's ability to monitor the accuracy of transactions and provide assurance with respect to public funds. Also, when sufficient controls are not designed, implemented and operating effectively, it increases the risk of financial misstatements going undetected and an increased risk of theft or fraud.

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SOUTHWEST INTERMEDIATE LEARNING CENTER (CONTINUED)

2014-001 Lack of Internal Controls over Accounting Records (Material Weakness)(Continued)

Cause: The SILC records were in disarray as the previous Head Administrator did not maintain complete and accurate records. Any documentation the SILC did have were seized by the FBI as part of their investigation related to the previous Head Administrator.

Recommendation: We recommend that the SILC design and implement controls to ensure adequate accounting records are maintained, complete, and reconciled timely in order to provide complete, accurate, and timely information to the IPA. Furthermore, the SILC should establish and maintain an internal control structure to provide management with reasonable assurance that assets are safeguarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with GAAP, and that state and federal programs are managed in compliance with applicable laws and regulations.

Management's Response: The school has hired a new administrator along with new contracted business managers. The NM Public Education Department has also taken over the school's Board of Finance. The individuals assigned to work on the financial issues of the school are working together to develop an internal control environment and structure that will safeguard the assets of the school while maintaining compliance with legal and regulatory requirements and appropriately recording and reporting financial activities of the school.

2014-002 State Audit Rule (Non Compliance)

Condition: As noted within finding 2014-001, during our testwork over Southwest Intermediate Learning Center (SILC), we were unable to obtain sufficient appropriate audit evidence to perform audit procedures over account balances in the prior year audit.

- Procurement Code (Sections 13-1-1 to 13-1-199 NMSA 1978) and State Purchasing Regulations 1.4.1 NMAC;
- Per Diem and Mileage Act (Sections 10-8-1 to 10-8-8 NMSA 1978), Regulations Governing the Per Diem and Mileage Act, and 2.42.2.11 NMAC;
- Public Money (Sections 6-10-1 to 6-10-63 NMSA 1978);
- Public School Finance Act (Sections 22-8-1 to 22-8-48 NMSA 1978);
- Investment of Public Money (Sections 6-8-1 to 6-8-21 NMSA 1978);
- Educational Retirement Act (Sections 22-11-1 to 22-11-55 NMSA 1978);
- Sale of Public Property (Sections 13-6-1 to 13-6-8 NMSA 1978);
- Anti-Donation Clause (NM Constitution Article IX, Section 14);
- Budget Compliance (Sections 22-8-5 through 22-8-12.2, NMSA 1978);
- Lease Purchase Agreements (New Mexico Constitution Article IX, Section 8 and 11; Sections 6-6-11 to 6-6-12 NMSA 1978; Montano v. Gabaldon, 108 NM 94, 766 P.2d 1328, 1989);
- Retiree Health Care Authority Act (Section 10-7C-1 to 10-7C-19 NMSA 1978);

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SOUTHWEST INTERMEDIATE LEARNING CENTER (CONTINUED)

2014-002 State Audit Rule (Non Compliance)(Continued)

- Compliance with PED Regulation Section 6.20.2 NMAC, *Governing Budgeting and Accounting for New Mexico Public Schools and School Districts* and the *Manual of Procedures*, primarily Supplement 7, *Cash Controls*;
- Inclusion of the cash reconciliation schedule which reconciles the cash balance as of the end of the previous fiscal year to the cash balance as of the end of the current fiscal year (Section 2.2.2.12 C (4)(b));
- New Mexico Public Schools Insurance Authority (NMPSIA) (Section 2.2.2.12 C (6))
- Annual Physical Inventory (Section 12-6-10 NMSA 1978)

As mentioned in the condition of finding 2014-001, the SILC has hired a third party consulting firm to assist with the its daily accounting and resolve its finding related to State Auditor compliance. However, we were noted the following deficiencies related to State Auditor compliance testwork:

- Management was unable to provide sufficient evidence of the board's approved budget.
- Management was unable to provide three out of the twelve Educational Retirement Board (ERB) Contribution Forms to test for compliance with the New Mexico State Auditor Rule.
- Management was unable to provide two out of the twelve Retiree Health Care Act (RHCA) Contribution Forms to test for compliance with the New Mexico State Auditor Rule.
- We noted that in eleven out of thirty payroll transactions tested, the employee's portion of their Educational Retirement Board contribution was calculated at the incorrect contribution rate causing an overstatement of \$106.
- In one out of two cash receipts tested, the deposit totaling \$24 was not made within twentyfour hours of receipt.
- The School had \$1,573 in actual expenditures in excess of budgetary authority in the capital outlay function of the Public Schools Capital Outlay fund.
- Because the School did not provide pledged collateral documentation, it appears that the SILC was under collateralized by \$280,176 at June 30, 2015.
- The School did not perform an annual physical inventory during the year

Criteria: Pursuant to 6.20.2.13, the school shall maintain adequate accounting records, prepare financial statements in accordance with GAAP (specifically, GASB 34), and provide complete, accurate, and timely information to the independent public accountant (IPA) as requested.

Effect: The SILC is not in compliance with State law.

Cause: The SILC records were in disarray as the previous Head Administrator did not maintain complete and accurate records. Any documentation the SILC did have were seized by the FBI as part of their investigation related to the previous Head Administrator.

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SOUTHWEST INTERMEDIATE LEARNING CENTER (CONTINUED)

2014-002 State Audit Rule (Non Compliance)(Continued)

Recommendation: We recommend that the SILC design and implement controls to ensure adequate accounting records are maintained, complete, and reconciled timely in order to provide complete, accurate, and timely information to the IPA.

Management's Response: The school's new administrator along with new contracted business managers and the NM Public Education Department are working to ensure records are maintained to document compliance with legal and regulatory requirements and appropriate recording and reporting of financial activities of the school. In addition, the new administration working with its governing council and finance committee review financial activity to ensure appropriate accountability for the school and maintenance of documentation to be available to the IPA.

SOUTHWEST PRIMARY LEARNING CENTER

2014-001 Lack of Internal Controls over Accounting Records (Material Weakness)

Condition: In the prior year audit of the Southwest Primary Learning Center (SPLC), we were unable to obtain sufficient appropriate audit evidence to perform audit procedures over the following areas: cash, accounts receivable, capital assets, accounts payable, accrued liabilities, fund balance/net assets, revenue, and expenditures. In the current fiscal year, the SPLC hired a third party consulting firm to assist with the SPLC's daily accounting and also to resolve its finding related to internal controls. In the current year audit, we were able to obtain sufficient appropriate audit evidence surrounding cash, accounts receivable, accounts payable, and fund balance/net assets. There has been progress surrounding the accounting records and we were able to review ten months' worth of records as well as account reconciliations. However, the SPLC was unable to provide supporting documentation to support the reported balances as a whole and its funds.

During our testwork over internal controls, we noted the following discrepancies:

- Management was unable to provide four of the thirty-three cash disbursement transactions selected for testing amounting to \$11,227.
- One transaction out of thirty-three disbursements tested amounting to \$53, the purchase order was dated subsequent to the vendor invoice.
- Management was unable to provide two of the thirty personnel files for pay checks amounting to \$1,483.
- In one out of thirty payroll disbursement transactions tested, the employee's annual contract was not signed by the Head Administrator.
- Outstanding checks in the School's checking account include five checks totaling \$1,929 which have been outstanding more than ninety days.
- The School was unable to provide a listing of capital assets

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SOUTHWEST PRIMARY LEARNING CENTER (CONTINUED)

2014-001 Lack of Internal Controls over Accounting Records (Material Weakness)(Continued)

Per our inquiry with the current business manager and correspondence with the Office of the State Auditor (OSA) any documents that the SPLC did have were seized by the Federal Bureau of Investigation (FBI) in August 2014 as they are investigating potential fraud of substantial payments of public funds to the private business of the schools previous Head Administrator. As such, we were unable to apply audit procedures and are unable to provide an audit opinion on the SPLC.

Criteria: Pursuant to 6.20.2.11, every school shall establish and maintain an internal control structure to provide management with reasonable assurance that assets are safe-guarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with GAAP, and that state and federal programs are managed in compliance with applicable laws and regulations. Additionally, pursuant to 6.20.2.13, the school shall maintain adequate accounting records, prepare financial statements in accordance with GAAP (specifically, GASB 34), and provide complete, accurate, and timely information to the independent public accountant (IPA) as requested. *Effect:* The SPLC lack of internal control over accounting records limits management's ability to monitor the accuracy of transactions and provide assurance with respect to public funds. Also, when sufficient controls are not designed, implemented and operating effectively, it increases the risk of financial misstatements going undetected and an increased risk of theft or fraud.

Cause: The SPLC records were in disarray as the previous Head Administrator did not maintain complete and accurate records. Any documentation the SPLC did have were seized by the FBI as part of their investigation related to the previous Head Administrator.

Recommendation: We recommend that the SPLC design and implement controls to ensure adequate accounting records are maintained, complete, and reconciled timely in order to provide complete, accurate, and timely information to the IPA. Furthermore, the SPLC should establish and maintain an internal control structure to provide management with reasonable assurance that assets are safe-guarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with GAAP, and that state and federal programs are managed in compliance with applicable laws and regulations.

Management's Response: The school has hired a new administrator along with new contracted business managers. The NM Public Education Department has also taken over the school's Board of Finance. The individuals assigned to work on the financial issues of the school are working together to develop an internal control environment and structure that will safeguard the assets of the school while maintaining compliance with legal and regulatory requirements and appropriately recording and reporting financial activities of the school.

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SOUTHWEST PRIMARY LEARNING CENTER (CONTINUED)

2014-002 State Audit Rule (Non Compliance)

Condition: As noted within finding 2014-001, during our testwork over Southwest Primary Learning Center

(SPLC), we were unable to obtain sufficient appropriate audit evidence to perform audit procedures over account balances in the prior year audit.

- Procurement Code (Sections 13-1-1 to 13-1-199 NMSA 1978) and State Purchasing Regulations 1.4.1 NMAC;
- Per Diem and Mileage Act (Sections 10-8-1 to 10-8-8 NMSA 1978), Regulations Governing the Per Diem and Mileage Act, and 2.42.2.11 NMAC;
- Public Money (Sections 6-10-1 to 6-10-63 NMSA 1978);
- Public School Finance Act (Sections 22-8-1 to 22-8-48 NMSA 1978);
- Investment of Public Money (Sections 6-8-1 to 6-8-21 NMSA 1978);
- Educational Retirement Act (Sections 22-11-1 to 22-11-55 NMSA 1978);
- Sale of Public Property (Sections 13-6-1 to 13-6-8 NMSA 1978);
- Anti-Donation Clause (NM Constitution Article IX, Section 14);
- Budget Compliance (Sections 22-8-5 through 22-8-12.2, NMSA 1978);
- Lease Purchase Agreements (New Mexico Constitution Article IX, Section 8 and 11; Sections 6-6-11 to 6-6-12 NMSA 1978; *Montano v. Gabaldon*, 108 NM 94, 766 P.2d 1328, 1989);
- Retiree Health Care Authority Act (Section 10-7C-1 to 10-7C-19 NMSA 1978);
- Compliance with PED Regulation Section 6.20.2 NMAC, *Governing Budgeting and Accounting for New Mexico Public Schools and School Districts* and the *Manual of Procedures*, primarily Supplement 7, *Cash Controls*;
- Inclusion of the cash reconciliation schedule which reconciles the cash balance as of the end of the previous fiscal year to the cash balance as of the end of the current fiscal year (Section 2.2.2.12 C (4)(b));
- New Mexico Public Schools Insurance Authority (NMPSIA) (Section 2.2.2.12 C (6))
- Annual Physical Inventory (Section 12-6-10 NMSA 1978)

As mentioned in the condition of finding 2014-001, the SPLC has hired a third party consulting firm to assist with the its daily accounting and resolve its finding related to State Auditor compliance. However, we were noted the following deficiencies related to State Auditor compliance testwork:

- Management was unable to provide sufficient evidence of the board's approved budget.
- Management was unable to provide three out of the twelve Educational Retirement Board (ERB) Contribution Forms to test for compliance with the New Mexico State Auditor Rule.
- Management was unable to provide two out of the twelve Retiree Health Care Act (RHCA) Contribution Forms to test for compliance with the New Mexico State Auditor Rule.
- We noted that in eight out of thirty payroll transactions tested, the employee's portion of their Educational Retirement Board contribution was calculated at the incorrect contribution rate causing an overstatement of \$69.

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PUBLIC EDUCATION DEPARTMENT
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SOUTHWEST PRIMARY LEARNING CENTER (CONTINUED)

2014-002 State Audit Rule (Non Compliance)(Continued)

- Because the School did not provide pledged collateral documentation, it appears that the SPLC was under collateralized by \$210,005 at June 30, 2015.
- In one out of two cash receipts tested, the deposit totaling \$40 was not made within twentyfour hours of receipt.
- The School did not perform an annual physical inventory during the year

Criteria: Pursuant to 6.20.2.13, the school shall maintain adequate accounting records, prepare financial statements in accordance with GAAP (specifically, GASB 34), and provide complete, accurate, and timely information to the independent public accountant (IPA) as requested.

Effect: The SPLC is not in compliance with State law.

Cause: The SPLC records were in disarray as the previous Head Administrator did not maintain complete and accurate records. Any documentation the SPLC did have were seized by the FBI as part of their investigation related to the previous Head Administrator.

Recommendation: We recommend that the SPLC design and implement controls to ensure adequate accounting records are maintained, complete, and reconciled timely in order to provide complete, accurate, and timely information to the IPA.

Management's Response: The school's new administrator along with new contracted business managers and the NM Public Education Department are working to ensure records are maintained to document compliance with legal and regulatory requirements and appropriate recording and reporting of financial activities of the school. In addition, the new administration working with its governing council and finance committee review financial activity to ensure appropriate accountability for the school and maintenance of documentation to be available to the IPA.

SOUTHWEST SECONDARY LEARNING CENTER

2014-001 Lack of Internal Controls over Accounting Records (Material Weakness)

Condition: In the prior year audit of the Southwest Secondary Learning Center (SSLC), we were unable to obtain sufficient appropriate audit evidence to perform audit procedures over the following areas: cash, accounts receivable, capital assets, accounts payable, accrued liabilities, fund balance/net assets, revenue, and expenditures. In the current fiscal year, the SSLC hired a third party consulting firm to assist with the SSLC's daily accounting and also to resolve its finding related to internal controls. In the current year audit, we were able to obtain sufficient appropriate audit evidence surrounding cash, accounts receivable, accounts payable, and fund balance/net assets. There has been progress surrounding the accounting records and we were able to review ten months' worth of records as well as

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SOUTHWEST SECONDARY LEARNING CENTER (CONTINUED)

2014-001 Lack of Internal Controls over Accounting Records (Material Weakness)(Continued)

account reconciliations. However, the SSLC was unable to provide supporting documentation to support the reported balances as a whole and its funds.

During our testwork over internal controls, we noted the following discrepancies:

Management was unable to provide three of twenty-seven cash disbursement transactions selected for testing amounting to \$5,088.

- Management was unable to provide six of twenty-nine personnel files for pay checks amounting to \$6,206.
- Outstanding checks in the School's checking account include three checks totaling \$11,273 which have been outstanding more than ninety days.
- The School was unable to provide a listing of capital assets

Per our inquiry with the current business manager and correspondence with the Office of the State Auditor (OSA) any documents that the SSLC did have were seized by the Federal Bureau of Investigation (FBI) in August 2014 as they are investigating potential fraud of substantial payments of public funds to the private business of the schools previous Head Administrator. As such, we were unable to apply audit procedures and are unable to provide an audit opinion on the SSLC.

Criteria: Pursuant to 6.20.2.11, every school shall establish and maintain an internal control structure to provide management with reasonable assurance that assets are safe-guarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with GAAP, and that state and federal programs are managed in compliance with applicable laws and regulations. Additionally, pursuant to 6.20.2.13, the school shall maintain adequate accounting records, prepare financial statements in accordance with GAAP (specifically, GASB 34), and provide complete, accurate, and timely information to the independent public accountant (IPA) as requested.

Effect: The SSLC lack of internal control over accounting records limits management's ability to monitor the accuracy of transactions and provide assurance with respect to public funds. Also, when sufficient controls are not designed, implemented and operating effectively, it increases the risk of financial misstatements going undetected and an increased risk of theft or fraud.

Cause: The SSLC records were in disarray as the previous Head Administrator did not maintain complete and accurate records. Any documentation the SSLC did have were seized by the FBI as part of their investigation related to the previous Head Administrator.

Recommendation: We recommend that the SSLC design and implement controls to ensure adequate accounting records are maintained, complete, and reconciled timely in order to provide complete, accurate, and timely information to the IPA. Furthermore, the SSLC should establish and maintain an internal control structure to provide management with reasonable assurance that assets are safeguarded against loss from unauthorized use or disposition, that transactions are executed in

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SOUTHWEST SECONDARY LEARNING CENTER (CONTINUED)

2014-001 Lack of Internal Controls over Accounting Records (Material Weakness)(Continued)

accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with GAAP, and that state and federal programs are managed in compliance with applicable laws and regulations.

Management's Response: The school has hired a new administrator along with new contracted business managers. The NM Public Education Department has also taken over the school's Board of Finance. The individuals assigned to work on the financial issues of the school are working together to develop an internal control environment and structure that will safeguard the assets of the school while maintaining compliance with legal and regulatory requirements and appropriately recording and reporting financial activities of the school.

2014-002 State Audit Rule (Non Compliance)

Condition: As noted within finding 2014-001, during our testwork over Southwest Secondary Learning Center (SSLC), we were unable to obtain sufficient appropriate audit evidence to perform audit procedures over account balances in the prior year audit.

- Procurement Code (Sections 13-1-1 to 13-1-199 NMSA 1978) and State Purchasing Regulations 1.4.1 NMAC;
- Per Diem and Mileage Act (Sections 10-8-1 to 10-8-8 NMSA 1978), Regulations Governing the Per Diem and Mileage Act, and 2.42.2.11 NMAC;
- Public Money (Sections 6-10-1 to 6-10-63 NMSA 1978);
- Public School Finance Act (Sections 22-8-1 to 22-8-48 NMSA 1978);
- Investment of Public Money (Sections 6-8-1 to 6-8-21 NMSA 1978);
- Educational Retirement Act (Sections 22-11-1 to 22-11-55 NMSA 1978);
- Sale of Public Property (Sections 13-6-1 to 13-6-8 NMSA 1978);
- Anti-Donation Clause (NM Constitution Article IX, Section 14);
- Budget Compliance (Sections 22-8-5 through 22-8-12.2, NMSA 1978);
- Lease Purchase Agreements (New Mexico Constitution Article IX, Section 8 and 11; Sections 6-6-11 to 6-6-12 NMSA 1978; *Montano v. Gabaldon*, 108 NM 94, 766 P.2d 1328, 1989);
- Retiree Health Care Authority Act (Section 10-7C-1 to 10-7C-19 NMSA 1978);
- Compliance with PED Regulation Section 6.20.2 NMAC, *Governing Budgeting and Accounting for New Mexico Public Schools and School Districts* and the *Manual of Procedures*, primarily Supplement 7, *Cash Controls*;
- Inclusion of the cash reconciliation schedule which reconciles the cash balance as of the end of the previous fiscal year to the cash balance as of the end of the current fiscal year (Section 2.2.2.12 C (4)(b));
- New Mexico Public Schools Insurance Authority (NMPSIA) (Section 2.2.2.12 C (6))
- Annual Physical
- Inventory (Section 12-6-10 NMSA 1978)

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SOUTHWEST SECONDARY LEARNING CENTER (CONTINUED)

2014-002 State Audit Rule (Non Compliance)(Continued)

As mentioned in the condition of finding 2014-001, the SSLC has hired a third party consulting firm to assist with the its daily accounting and resolve its finding related to State Auditor compliance. However, we were noted the following deficiencies related to State Auditor compliance testwork:

- Management was unable to provide sufficient evidence of the board's approved budget.
- Management was unable to provide two out of the twelve Educational Retirement Board (ERB) Contribution Forms to test for compliance with the New Mexico State Auditor Rule.
- Management was unable to provide one out of the twelve Retiree Health Care Act (RHCA) Contribution Forms to test for compliance with the New Mexico State Auditor Rule.
- We noted that in two out of twenty-nine payroll transactions tested, the employee's portion of their Educational Retirement Board contribution was calculated at the incorrect contribution rate. The net difference of the two items was \$0.
- In the one cash receipt tested, the deposit totaling \$45 was not made within twenty-four hours of receipt.
- The School had \$3,838 in actual expenditures in excess of budgetary authority in the capital outlay function of the Public Schools Capital Outlay fund.
- Because the School did not provide pledged collateral documentation, it appears that the SSLC was under collateralized by \$791,241 at June 30, 2015.
- SSLC is not using 80 percent of the standard mileage rate causing a mileage reimbursement excess of \$70.
- The School did not perform an annual physical inventory during the year

Criteria: Pursuant to 6.20.2.13, the school shall maintain adequate accounting records, prepare financial statements in accordance with GAAP (specifically, GASB 34), and provide complete, accurate, and timely information to the independent public accountant (IPA) as requested.

Effect: The SSLC is not in compliance with State law.

Cause: The SSLC records were in disarray as the previous Head Administrator did not maintain complete and accurate records. Any documentation the SSLC did have were seized by the FBI as part of their investigation related to the previous Head Administrator.

Recommendation: We recommend that the SSLC design and implement controls to ensure adequate accounting records are maintained, complete, and reconciled timely in order to provide complete, accurate, and timely information to the IPA.

Management's Response: The school's new administrator along with new contracted business managers and the NM Public Education Department are working to ensure records are maintained to document compliance with legal and regulatory requirements and appropriate recording and reporting of financial activities of the school. In addition, the new administration working with its governing

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SOUTHWEST SECONDARY LEARNING CENTER (CONTINUED)

2014-002 State Audit Rule (Non Compliance)(Continued)

council and finance committee review financial activity to ensure appropriate accountability for the school and maintenance of documentation to be available to the IPA.

TAOS ACADEMY

2014-001 Procurement Code (Noncompliance in Accordance with the New Mexico State Audit Rule)

Condition: The School did not follow proper procurement procedures when obtaining vendors' to install a basketball court and artificial turf for the School. The total estimated cost was \$25,613 for the basketball court and \$34,833 for the artificial turf. The School obtained quotes by making phone calls rather than sending written requests containing the specifications for the procurement. This finding was reported in the 2014 audit and the School started taking corrective measures once it was reported to them in May 2015.

Criteria: Per NMAC 6.20.2.17 PURCHASING: A. Each school district shall establish and implement written policies and procedures for purchasing which shall be in compliance with the Procurement Code, Section 13-1-21 et seq., NMSA 1978. Purchasing policies and procedures for grant funding shall comply with requirements established within the grant and the Procurement Code. An internal control structure over purchasing shall be established and maintained to assure compliance with school district policy, state and federal regulations. NMSA Article I, Section 13-1-104 states central purchasing offices shall send copies of the notice or invitation for bids involving the expenditure of more than twenty thousand dollars (\$20,000) to those businesses that have signified in writing an interest in submitting bids for particular categories of items of tangible personal property and construction services.

Effect: The School could be overpaying for services and/or goods.

Cause: Lack of proper internal controls and policies in place to ensure the School follows procurement guidelines when obtaining a vendor for construction services and tangible personal property.

Recommendation: For construction and tangible personal property purchases between \$20,000 and \$60,000, the School should solicit businesses via written requests containing the specifications for the procurement. In addition, the School should improve their policies and procedures to more clearly define the requirements and thresholds.

Management's Response: Our prior year response to this finding was the School did receive three written bids for services, however, a formal request was not sent to those that bid. In the future, if the School shall seek bids for construction, specifications will be used for the purpose of soliciting bids.

The School was working on a few projects during the summer between FY14 and FY15. This finding was prior to the audit of FY14. After the audit of FY14, the School implemented procedures to be in compliance with state requirements. Taos Academy Governing Council will also work on updating the

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TAOS ACADEMY (CONTINUED)

2014-001 Procurement Code (Noncompliance in Accordance with the New Mexico State Audit Rule)(Continued)

procurement policy in FY2016 to ensure a better understanding of the process. The director and business manager will immediately revise their procedures to be in compliance. The School plans to have an updated procurement policy by spring of 2016.

2015-001 Timely Deposits (Noncompliance in accordance with the New Mexico State Audit Rule)

Condition: During testwork over cash receipts, we noted one deposit totaling \$410 collected on January 13, 2015. These funds were not deposited in the bank until January 15, 2015.

Criteria: NMAC 6.20.2.14.C states "Money received and receipted shall be deposited in the bank within twenty-four (24) hours or one banking day."

Effect: The School is not in compliance with the cash deposit compliance requirements as stated at NMAC 6.20.2.14.C.

Cause: Cash deposits were not taken to the bank within a 24 hour period due to available staffing.

Recommendation: Ensure deposits are made in accordance with NMAC 6.20.2.14.C.

Management's Response: The Business Manager and Director continue to educate and remind the staff on proper procedures for timely deposits. Taos Academy policy states that deposits are to be made within 24 hours. The director and business manager will continue this process immediately.

2015-002 Payroll (Noncompliance in accordance with the New Mexico State Audit Rule)

Condition: During our review over 25 payroll transactions, we found eight instances where the School was improperly calculating employee and employer FICA taxes for certain insurance deductions. These employee deductions should have been treated as pre-FICA tax deductions; however, the School treated them as post-FICA tax deductions.

Criteria: Per the NMAC 6.20.2.12, the School District shall conduct independent checks on performance and proper valuation of recorded amounts, such as clerical checks, reconciliations, comparison of assets with recorded accountability, computer programmed controls, management review of reports that summarize the detail of accounts balances and user review of computer generated reports. The School is also required to maintain an internal control structure to demonstrate the school ability to record, process, summarize and report financial data. In addition, the internal control structure shall demonstrate that the school district identifies applicable law and regulations, and that procedures are designed to provide reasonable assurance that the school district complies with those laws and regulations.

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TAOS ACADEMY (CONTINUED)

2015-002 Payroll (Noncompliance in accordance with the New Mexico State Audit Rule)(Continued)

Effect: The School and the employees paid more in taxes and benefits than what should have been paid.

Cause: The School calculated employer and employee taxes incorrectly by not treating certain insurance deductions as a pre-FICA tax deduction.

Recommendation: Implement internal controls to ensure deductions are properly entered into the payroll system. A review should be performed for all employees to ensure deductions are properly calculated.

Management's Response: The School's understanding of the Section 125 Plan was incorrect. We appreciate the guidance from the auditors. The issue has been corrected in the current year. The School will continue to monitor payroll adding this area as an additional section for review. The business manager will ensure these changes are made immediately.

TAOS INTEGRATED SCHOOL OF THE ARTS

2015-001 Payroll (Noncompliance in accordance with the New Mexico State Audit Rule)

Condition: During our testwork over 25 payroll transactions, we found two instances where the School was improperly calculating employee and employer FICA taxes for certain insurance deductions. These employee deductions should have been treated as pre-FICA tax deductions; however, the School treated them as post-FICA tax deductions.

Criteria: Per the NMAC 6.20.2.12, the School District shall conduct independent checks on performance and proper valuation of recorded amounts, such as clerical checks, reconciliations, comparison of assets with recorded accountability, computer programmed controls, management review of reports that summarize the detail of account balances and user review of computer generated reports. The School is also required to maintain an internal control structure to demonstrate the school ability to record, process, summarize and report financial data. In addition, the internal control structure shall demonstrate that the school district identifies applicable law and regulations, and that procedures are designed to provide reasonable assurance that the school district complies with those laws and regulations.

Effect: The School and the employees paid more in taxes and benefits than what should have been paid.

Cause: The school calculated employer and employee taxes incorrectly by not treating certain insurance deductions as a pre-FICA tax deduction.

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TAOS INTEGRATED SCHOOL OF THE ARTS (CONTINUED)

2015-001 Payroll (Noncompliance in accordance with the New Mexico State Audit Rule)(Continued)

Recommendation: Implement internal controls to ensure deductions are properly entered into the payroll system. A review should be performed for all employees to ensure deductions are properly calculated.

Management's Response: The School's understanding of the Section 125 Plan was incorrect. We appreciate the guidance from the auditors. The issue has been corrected in the current year. The School will continue to monitor payroll adding this area as an additional section for review. The business manager will implement this process immediately.

2015-002 Disbursements (Noncompliance in Accordance with New Mexico State Audit Rule)

Condition: During our testwork over 25 cash disbursements we noted two instances totaling \$359 where the School paid sales tax for tangible items.

Criteria: Per NMAC 3.2, School districts are exempt from paying sales tax.

Effect: The School is paying for expenditures that are not allowable or applicable.

Cause: Internal controls are not in place to ensure sales tax is not paid on tangible items.

Recommendation: Internal controls should be established to ensure the School does not pay sales tax on tangible items.

Management's Response: The School will continue training individuals responsible for purchasing on tax exemption procedures. The finance committee will also follow up with internal audit throughout the year to ensure that the School is in compliance with the state regulations. The business manager is responsible for training both School staff and the finance committee on procedures and methods for monitoring. The business manager will do continuous training and it will begin immediately.

2015-003 Internal Control Structure (Noncompliance in Accordance with the New Mexico State Audit Rule)

Condition: During our internal control testwork over a sample of 25 cash disbursements we noted two instances where vendors were paid more than the agreed upon contract and actual expenses exceeded the approved purchase orders.

Criteria: Per NMAC 6.20.2.11 (A) Internal Control Structure Standards, "every school district shall establish and maintain an internal control structure to provide management with reasonable assurance that assets are safe-guarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly to permit the

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TAOS INTEGRATED SCHOOL OF THE ARTS (CONTINUED)

2015-003 Internal Control Structure (Noncompliance in Accordance with the New Mexico State Audit Rule)(Continued)

preparation of general purpose financial statements in accordance with GAAP. The internal control structure shall include written administrative controls (rules, procedures and practices, and policies that affect the organization) and accounting controls (activity cycles, financial statement captions, accounting applications including computer systems) that are in accordance with GAAP.”

Effect: Reimbursements could be made without proper approval and expenditures could be reported inaccurately or misclassified in the improper fund. This could result in funds being overspent and balances misstated.

Cause: The School did not follow internal purchasing policies and procedures.

Recommendation: Ensure policies are followed by not allowing payments to exceed the contract amount and the approved purchase order.

Management’s Response: The School has implemented a new structure for more internal reviews of current year contracts to ensure that contracts are not exceeded. Periodic reviews by the finance committee will be implemented. The director and business manager will monitor contracts more carefully. The finance committee will review them on a random basis. This process will take effect in fiscal year 2016 fiscal year.

TAOS INTERNATIONAL SCHOOL

2015-001 Internal Control Structure and Payment for Services (Noncompliance in Accordance with the New Mexico State Audit Rule)

Condition: During the fiscal year 2015, the School used the Internal Revenue Service (IRS) standard rate for mileage reimbursements.

Criteria: NMAC 2.42.2.11(b)(1) states that public officers and employees of state agencies shall be reimbursed for mileage accrued in the use of a private automobile at 80% of the IRS standard mileage rate set January 1 of the previous year for each mile traveled in a privately owned vehicle.

Effect: The School is not in compliance with the Per Diem and Mileage Act and is overpaying employees for travel on behalf of the School.

Cause: The School did not have internal controls in place to ensure mileage reimbursements were paid in accordance with the New Mexico Per Diem and Mileage Act.

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TAOS INTERNATIONAL SCHOOL (CONTINUED)

2015-001 Internal Control Structure and Payment for Services (Noncompliance in Accordance with the New Mexico State Audit Rule)(Continued)

Recommendation: The School should follow the Per Diem and Mileage Act for local governments when paying for mileage reimbursements.

Management's Response: We disagree with this finding. The issue is not one of internal controls at the School but rather one of a change in opinion by the Public Education Department (PED) and external auditors. Previously, the Public Education Department had issued a memorandum from the Deputy Secretary of Education which stated charter schools were able to pay mileage rates at the full IRS rate. Prior auditors had given charter schools audit findings for paying at the rate suggested here. The school followed prior PED and auditor instruction in paying the rate. The finding should be that the PED and auditors should be consistent in the interpretations issued to schools. The business manager was responsible for this finding and a new mileage policy has been implemented as of July 2015.

2015-002 Internal Control Structure and Payroll (Noncompliance in Accordance with the New Mexico State Audit Rule and Significant Deficiency)

Condition: During our review of twenty-six payroll disbursements we noted the following:

- We noted eight instances when background checks were not completed timely and one instance when a background check could not be provided for review.
- For one employee's contract we were unable to provide support regarding the pay rate for two installment payments.
- We noted one employee for which the School was unable to provide evidence why Retiree Health Care (RHC) withholdings and contributions should not have been made.

Criteria: NMAC 6.20.2.18 requires various employee records and documentation to be maintained and available for inspection, including personnel/payroll action forms that properly document employee compensation. Pursuant 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.

Effect: The School is not in compliance with the requirements of NMAC 6.20.2.18 and 22-10.3.3 NMSA 1978.

Cause: Internal controls were not in place to ensure that employees had background checks received in a timely fashion, that gross pay, for one employee, agreed to employee's contracted salary, and that necessary deductions are withheld properly.

Recommendation: Time cards should be reviewed and compared to the hours entered into the payroll system to ensure accuracy as well as comparing the salary in the employment contract to the employee's gross pay per period. Additionally, system parameters surrounding pre-tax payroll

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TAOS INTERNATIONAL SCHOOL (CONTINUED)

2015-002 Internal Control Structure and Payroll (Noncompliance in Accordance with the New Mexico State Audit Rule and Significant Deficiency)(Continued)

deductions should be reviewed to ensure that all deductions are processed in accordance with IRS guidelines. In addition, all employees should be required to have a completed background check on file before their first day of work.

Management's Response: The School will implement procedures to ensure correct amounts are paid and withheld through payroll. However, employees are paid on a salary and time cards are used only for part-time substitutes which this finding does not address. New hire procedures are also being implemented to ensure compliance with background check requirements. The business manager was responsible for this issue and it has been corrected as of July 2015.

2015-003 Timely Deposits (Noncompliance in Accordance with the New Mexico State Audit Rule)

Condition: For one of eleven cash receipts tested, we noted that funds were not deposited within the required 24-hour timeframe.

Criteria: NMAC 6.20.2 states that "money received and receipted shall be deposited in the bank within twenty-four (24) hours or one banking day."

Effect: The school was not in compliance with State Statute. Additionally, the School has exposed itself to possible misappropriation of assets.

Cause: The school did not follow their internal controls which are in place to ensure that NMAC 6.20.2 is followed.

Recommendation: We recommend that the school is more diligent regarding incoming income from fundraisers and all cash receipts to ensure that they are deposited within the required 24 hour timeframe.

Management's Response: The School has put additional procedures in place to address timely deposit of cash receipts. The administration at the school was responsible for this issue and it has been corrected as of July 2015.

2015-004 ERB Remittance – (Noncompliance in Accordance with the New Mexico State Audit Rule)

Condition: We reviewed twelve months of ERB remittances, noting that two remittances were made several days late.

Criteria: Based on the instructions for preparing the ERB form 100: electronic reports, consisting of salaries and contributions and demographic information, must be sent by the 15th of the month

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TAOS INTERNATIONAL SCHOOL (CONTINUED)

2015-004 ERB Remittance – (Noncompliance in Accordance with the New Mexico State Audit Rule)(Continued)

following the month covered by the report The ERB Form 100 must be faxed the same day that the contributions are electronically transmitted, no later than the 15th of the month following the month covered by the Report.

Effect: The School did not remit the contributions timely and they were subject to a penalty.

Cause: The School failed to remit the contribution payment in a timely fashion.

Recommendation: The School should comply with all due dates established for ERB reports and contributions.

Management's Response: Set up for new schools requires coordination with the ERB office. Because this was the first time the school was paying, the ERB accepted the payments as correct and timely. The School's business manager was responsible for this issue and it has been corrected as of July 2015.

THE LEARNING COMMUNITY CHARTER SCHOOL

2009-003 Internal Control Structure, (Non-Compliance in Accordance with the New Mexico State Audit Rule) (Other Matter)

Condition: The trial balance had liability accounts which had debit balances totaling \$6,925 that were not reconciled for several years. In addition, the capital assets listing and the disposal of assets information could not be provided to the auditors during fieldwork.

Criteria: Per NMAC 6.20.2.11 Internal Control Structure Standards, every school district shall maintain internal control structure to provide management with reasonable assurance that assets are safeguarded 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.

Per subsection A of Section 13-6-1, NMSA 1978, such disposals are required to be communicated to the State Auditor at least 30 days prior to the actual disposal. Additionally, New Mexico Administrative Code 2.2.2.10 T(2) & (3) requires that in the event of a computer disposal it must be sanitized or effectively make inaccessible all licensed software and any electronic media pertaining to the organization. A certification that the hard drive has been erased or destroyed must be provided to the State Auditor.

Effect: The School is not in compliance with NMAC 6.20.2.11 and the School is not in compliance with the requirements of Subsection A of Section 13-6-1, NMSA 1978, or NMAC 2.2.2.10 T(2) & (3) related to equipment dispositions.

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THE LEARNING COMMUNITY CHARTER SCHOOL (CONTINUED)

2009-003 Internal Control Structure, (Non-Compliance in Accordance with the New Mexico State Audit Rule) (Other Matter)(Continued)

Cause: Turnover in the Business Manager position and the closure of the School led to difficulties in performing year-end reconciliations and obtaining applicable disposal information.

Recommendation: The School should have performed reconciliations of all accounts on a monthly basis. This would have helped in making pertinent decisions affecting the School by the Governance board and management. The School should have implemented internal controls that would ensure compliance with Subsection A of Section 13-6-1, NMSA 1978, and New Mexico Administrative Code 2.2.2.10 T(2)

Management's Response: The Learning Community Charter School was closed by the Public Education Commission effective June 30, 2014. PED has since taken over close out operations and will ensure proper controls are implemented during the close out.

2013-002 Procurement Code (Non-Compliance in Accordance with the New Mexico State Audit Rule) (Other Matter)

Condition: During proceedings to close the School, the School hired a related-party to perform legal services. The total amount spent was \$21,212 during the year ended June 30, 2015 and no bid process was documented. In the prior year, the School spend \$103,300 to this same vendor for the legal services and there was no bid process documented for this year.

Criteria: As indicated in NMAC 1.4.1.14 through 1.4.1.28, an internal control structure over purchasing shall be established and maintained to assure compliance with school district policy and state and federal regulations in assurance that all the bids are supported by proper documentation.

Effect: The School is not in compliance with NMAC 1.14.1.14 through 1.4.1.28.

Cause: According to School personnel, the School made numerous attempts to contact various firms for legal services. Attempts were made via newspaper and telephone, however, supporting documentation could not be located documenting such attempts. According to School personnel, the School contends that the vendor chosen provided sole source services for the School's ensuing legal litigation and throughout the PED appeals process.

Recommendation: The School should have designated a procurement agent who would have been accountable for maintaining records and ensuring State procurement policies were being implemented and followed. The School should have obtained bids when services rendered were greater than \$60,000.

Management's Response: The Learning Community Charter School was closed by the Public Education Commission effective June 30, 2014. PED has since taken over close out operations and will ensure proper controls are implemented during the close out.

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THE LEARNING COMMUNITY CHARTER SCHOOL (CONTINUED)

2014-001 Internal Control Structure (Non-Compliance in Accordance with the New Mexico State Audit Rule) (Other Matter)

Condition: During internal control testwork over a sample of 17 cash disbursements, we noted that four transactions did not have proper supporting documentation and purchase orders for a total of \$28,236.

Criteria: Per NMAC 6.20.2.17 PURCHASING: A. Each school district shall establish and implement written policies and procedures for purchasing which shall be in compliance with the Procurement Code, Section 13-1-21 et seq., NMSA 1978. Purchasing policies and procedures for grant funding shall comply with requirements established within the grant and the Procurement Code. An internal control structure over purchasing shall be established and maintained to assure compliance with school district policy, and state and federal regulations.

Effect: Proper maintenance of supporting documentation relating to financial transactions is necessary to mitigate possible dual payment of invoices and to resolve possible disputes with vendors, etc. Reimbursements could be made without proper approval and expenditures could be reported inaccurately or misclassified in the improper fund. This could result in funds being overspent and balances misstated.

Cause: The timing of the audit occurred after the School closed and the School only had a consultant pay any outstanding bills. There was discussion with PED on paying expenditures but no formal documentation giving applicable approval.

Recommendation: The School should have developed and implemented internal controls making sure that all supporting documentation was maintained.

Management's Response: The Learning Community Charter School was closed by the Public Education Commission effective June 30, 2014. PED has since taken over close out operations and will ensure proper controls are implemented during the close out.

2015-001 Internal Control Structure, (Non-Compliance in Accordance with the New Mexico State Audit Rule) (Significant deficiency)

Condition: During our test work of five journal entries, we noted that two journal entries in the amounts of \$2,717 and \$2,264 were not approved or reviewed by someone other than the preparer of the journal entries.

Criteria: NMAC 6.20.2.11 (A) Every school district shall establish and maintain an internal control structure to provide management with reasonable assurance that assets are safe-guarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with GAAP, and that state and federal programs are managed in compliance with

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THE LEARNING COMMUNITY CHARTER SCHOOL (CONTINUED)

2015-001 Internal Control Structure, (Non-Compliance in Accordance with the New Mexico State Audit Rule) (Significant deficiency)(Continued)

applicable laws and regulations. The internal control structure shall include written administrative controls (rules, procedures and practices, and policies that affect the organization) and accounting controls (activity cycles, financial statement captions, accounting applications including computer systems) that are in accordance with GAAP.

Effect: Journal entries that are not reviewed or approved by someone with the appropriate level of accounting knowledge may result in entries made in error and could lead to a misstatement of the financial statements.

Cause: Due to the closure of the School, the School did not have adequate personnel to approve journal entries made during the year.

Auditor's Recommendation: Management should have established internal control policies to review and approve journal entries during the year.

Managements Response: The Learning Community Charter School was closed by the Public Education Commission effective June 30, 2014. PED has since taken over close out operations and will ensure proper controls are implemented during the close out.

TIERRA ADENTRO

2014-001 Internal Control Structure and Payment for services (Noncompliance in Accordance with the New Mexico State Audit Rule and Significant Deficiency)

Condition: During our review of twenty-five disbursements, we noted one expenditure totaling \$5,000 to a contractor that was not in accordance with the contract. According to the contract, the contractor is to be paid on an hourly basis; however, the contractor was paid a flat fee of \$2,500 every two weeks. In addition, based on review of this contractor, it appears the individual should have been classified as an employee instead of a contractor. Beginning in fiscal year 2016, the School changed the individual's classification to an employee.

Criteria: NMAC 6.20.2.11 Internal Control Structure Standards, requires every school to maintain an internal control structure that will provide management with reasonable assurance assets are safeguarded 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.

Effect: The School is not in compliance with NMAC 6.20.2.11.

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TIERRA ADENTRO (CONTINUED)

2014-001 Internal Control Structure and Payment for services (Noncompliance in Accordance with the New Mexico State Audit Rule and Significant Deficiency)(Continued)

Cause: Internal controls were not in place to ensure payments were made in accordance with contract provisions and that contractors were properly reviewed to determine employee versus contractor status.

Recommendation: Invoices should be reviewed for accuracy with contract provisions prior to payment. The School should also use IRS guidance when determining whether an individual is an employee or a contractor.

Management's Response: The School has used IRS guidance to determine whether an individual is considered an employee or a contractor and has made the necessary changes. The School does have policies and procedures in place so that all invoices are being reviewed prior to payment. The business manager will be responsible for ensuring that these internal controls are in place and the changes have already been made.

2015-001 Internal Control Structure and Payroll (Noncompliance in Accordance with the New Mexico State Audit Rule and Significant Deficiency)

Condition: During our review of twenty-five payroll disbursements we noted the following:

- The amount of hours paid to an employee did not agree to the employee's time sheet. According to the time sheet, the employee should have been paid for 40.5 hours. However, the employee was actually paid for 54 hours which resulted in a \$278.10 overpayment.
- Seventeen instances where the School was improperly calculating employee and employer FICA taxes for certain insurance deductions. These employee deductions should have been treated as pre-FICA tax deductions; however, the School treated them as post-FICA tax deductions.

Criteria: NMAC 6.20.2.11 Internal Control Structure Standards, requires every school to maintain an internal control structure that will provide management with reasonable assurance assets are safeguarded 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.

Effect: The School is not in compliance with NMAC 6.20.2.11 and an employee was overpaid according to the supporting documentation provided by the School. In addition, the School and the employees paid more in taxes than what should have been paid.

Cause: Internal controls are not in place to ensure payments are made in accordance with contract provisions and the employee's time card. In addition, internal controls are not in place to ensure deductions are properly entered into the payroll system.

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TIERRA ADENTRO (CONTINUED)

2015-001 Internal Control Structure and Payroll (Noncompliance in Accordance with the New Mexico State Audit Rule and Significant Deficiency)(Continued)

Recommendation: Time cards should be reviewed and compared to the hours entered into the payroll system to ensure accuracy. Implement internal controls to ensure deductions are properly entered into the payroll system. A review should be performed for all employees to ensure deductions are properly calculated.

Management's Response: The School does have policies and procedures in place to ensure that all timecards are accurate and the correct salary is being entered into the financial system. A review of the correct tax withholding is currently being undertaken. The School will ensure that the deductions are being properly calculated. The business manager will be responsible for ensuring that these internal controls are in place and they expect to have them in place by March 2016.

2015-002 Audit Committee (Noncompliance in Accordance with the New Mexico State Audit Rule)

Condition: The School does not have a volunteer member with experience in accounting or financial matters on their audit committee.

Criteria: Per NMSA 22-8-12.3 Each local school board shall appoint an audit committee that consists of two board members, one volunteer member who is a parent of a student attending that school and one volunteer member who has experience in accounting or financial matters.

Effect: The School is not in compliance with state statute.

Cause: The School has not been successful in recruiting the required audit committee member.

Recommendation: The School should evaluate audit committee recruitment efforts and ensure that all required members have been met.

Management's Response: The School is actively looking for a volunteer member to be on the audit committee. The governing council and principal will be responsible for recruiting a volunteer and they expect to have this problem resolved by June 2016.

2015-003 Timely Deposits (Noncompliance in Accordance with the New Mexico State Audit Rule)

Condition: During our cash receipts testwork, we noted two receipts in the amounts of \$2,230 and \$75 received on August 4, 2014 and July 15, 2014 that were not deposited until August 6, 2014 and July 18, 2014, respectively.

Criteria: NMAC 6.20.2 states that "money received and receipted shall be deposited in the bank within twenty-four hours or one banking day".

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TIERRA ADENTRO (CONTINUED)

2015-003 Timely Deposits (Noncompliance in Accordance with the New Mexico State Audit Rule)(Continued)

Effect: The School is not in compliance with state statute.

Cause: The School had limited staff during the summer which led to the inadvertent oversight of not taking the deposits to the bank within the required time frame.

Recommendation: The School should implement procedures to ensure that receipts are deposited in the bank within the required time frame.

Management's Response: The School will emphasize that the internal control procedures are followed ensuring that all money being received is being recorded correctly and deposited within 24 hours. The administrative staff and business office will be responsible for ensuring that deposits are being made in a timely manner and they expect to have this process under control by January 2016.

2015-004 Procurement Code (Noncompliance in Accordance with the New Mexico State Audit Rule)

Condition: During our cash disbursements test work, we noted two instances where the School did not follow their procurement policy when purchasing tangible items that were in excess of \$5,000. The tangible items purchased were from two different vendors and totaled \$8,368 and \$29,550, respectively.

Criteria: Per NMAC 6.20.2.17 PURCHASING: A. Each school district shall establish and implement written policies and procedures for purchasing which shall be in compliance with the Procurement Code, Section 13-1-21 et seq., NMSA 1978. The School's procurement policy states, "Attach three (3) quotes if the amount to be purchased exceeds \$5,000. The quotes must include vendor name and telephone number. Be sure each quote is inclusive of all charges and freight."

Effect: The School could be overpaying for services and/or goods and the School is not in compliance with their policy.

Cause: Internal controls were not in place to ensure the School follows their internal policies when purchasing tangible items.

Recommendation: The School should ensure quotes are obtained when purchases exceed \$5,000.

Management's Response: The School will ensure that the policies and procedures are being emphasized and complied with. The administrative staff and business manager will be responsible for following procurement procedures and will have these implemented by January 2016.

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TIERRA ADENTRO (CONTINUED)

2015-005 Budgetary Conditions (Noncompliance in Accordance with the New Mexico State Audit Rule)

Condition: The School did not properly budget prior year cash carry-over in the Food Services Fund 21000. There was no prior year cash carry-over; however, the School budgeted a deficit of \$6,432 for this fund.

Criteria: Per NMAC 6.20.2.9 (A) every school district shall follow budget requirements stated in Sections 22-8-5 through 22-8-12.2, NMSA 1978, and procedures of the department in preparing, submitting, maintaining and reporting budgetary information.

Effect: The School is out of compliance with state statute and the controls established by the use of budgets has been compromised, which could result in deficit fund balances and unnecessary usage of funds to cover the deficit.

Cause: The School budgeted a deficit when there was no prior year cash carry-over amounts for this fund.

Recommendation: We recommend that the School establish a policy where the budget is reviewed at the end of each quarter and give consideration to deficits and ensure that designated cash is available to cover such overages.

Management's Response: The School has polices and procedure in place and will ensure that the budget is reviewed properly. The business manager will be responsible for ensuring that the budget is correct and we expect to have this implemented by June 2016.

UPLIFT COMMUNITY SCHOOL

2013-002 Internal Control Structure – (Compliance)

Condition: During our fieldwork we noted that the school does not have a contract in place with the food service vendor. Total disbursements were \$40,137.

Criteria: Per 7 CFR part 210.21(f) Cost reimbursable contracts-(1) required provisions. The school food authority must include the following provisions in all cost reimbursable contracts, including contracts with cost reimbursable provisions, and in solicitation documents prepared to obtain offers for such contracts: (i) allowable costs will be paid from the nonprofit school service account to the contractor net of all discounts, rebates and other applicable credits accruing to or received by the contractor or any assignee under the contract, to the extent those credits are allocable to the allowable portion of the costs billed to the school food authority.

Effect: The school could be overpaying for food services.

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UPLIFT COMMUNITY SCHOOL (CONTINUED)

2013-002 Internal Control Structure – (Compliance)(Continued)

Cause: The School entered into an arrangement with the food service vendor to provide food but did not enter into a formal contract for the pricing.

Recommendation: We recommend that contracts be completed for food services in order to ensure that all the CFR compliance requirements are properly included in the contract.

Management's Response: The school does not use a service company for prepared meals reimbursed through the USDA. The school purchases raw materials and foods from a food vendor, primarily Sysco, and prepares student meals from scratch on site. Management had requested multiple times from numerous individuals within the Sysco Company a copy of the food pricing contract. The school has worked with Sysco on format for a food contract and has put the contract into place for the 2015-2016 school year.

2014-001 Supporting Documentation – (Significant Deficiency)

Condition: During our test-work the following items were noted:

- In a sample of sixty expenditures, there was one disbursement in the amount of \$744, where the school could not provide any supporting documentation.
- In a sample of twenty cash receipts selected for student fees and student activities, eight of the items selected were missing a receipt (total of \$3,282) to the party submitting payment and one item (approximate total of \$200) was missing a bank deposit slip.

Criteria: Per NMAC 6.20.2.11 (A) Internal Control Structure Standards, "every school district shall establish and maintain an internal control structure to provide management with reasonable assurance that assets are safe-guarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with GAAP. The internal control structure shall include written administrative controls (rules, procedures and practices, and policies that affect the organization) and accounting controls (activity cycles, financial statement captions, accounting applications including computer systems) that are in accordance with GAAP."

Additionally, NMSAC 6.20.2.14.C states that money received and receipted shall be deposited in the bank within twenty-four (24) hours or one banking day.

Effect: It could not be determine if the expenditure and the cash receipts were properly recorded on the general ledger. It could not be determined if the cash receipts were deposited in a timely manner.

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UPLIFT COMMUNITY SCHOOL (CONTINUED)

2014-001 Supporting Documentation – (Significant Deficiency)(Continued)

Cause: The school does not have in place proper internal controls to ensure that supporting documentation is maintained for all cash disbursements and cash receipts.

Recommendation: The School should put in place internal controls so that documentation for all financial activity is available for examination both by school personnel and external parties such as the auditors.

Management's Response: Uplift Community School has worked hard to establish and maintain a set of internal controls and policies and procedures around procurement. The school identified inconsistencies with personnel following the defined policies and procedures, and has made applicable changes to the personnel for the 2015-2016 school year. The school has reviewed the policies and procedures with the incoming staff and is confident that the areas of policy application and records maintenance will be greatly improved.

2014-003 Mileage Reimbursements – (Compliance)

Condition: For the year ended June 30, 2015, it was noted that the School reimbursed employees for mileage at a rate of fifty six cents per mile.

Criteria: NMAC 2.42.2.11 (B) (1) states public officers and employees of state agencies shall be reimbursed for mileage accrued in the use of a private automobile or aircraft in the official discharge of official duties as follows: "unless the secretary has reduced the rates set for mileage for any class of public officials and for employees of state agencies pursuant to Section 10-8-5 (D) NMSA, 80% of the internal revenue service standard mileage rate set January 1 of the previous year for each mile traveled in a privately owned vehicle."

Effect: The School is not in compliance with New Mexico State Statutes in regards to mileage reimbursement.

Cause: The School contends that it is a Local Public Body and not a State Agency. As a Local Public Body, the school contends that it may reimburse mileage at the full amount authorized by the IRS. The New Mexico Public Education Department (PED) has indicated to the auditors that charter schools chartered under PED are a component unit of PED and should reimburse mileage at the rate approved for a State Agency.

Recommendation: The School should reimburse mileage at 80% of the internal revenue service standard mileage rate set January 1 of the previous year for each mile traveled in a privately owned vehicle.

Management's Response: The school has adopted a revised Travel and Per Diem policy that limits the

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UPLIFT COMMUNITY SCHOOL (CONTINUED)

2014-003 Mileage Reimbursements – (Compliance)(Continued)

allowable mileage reimbursement to 80% of the approved IRS rate for any given calendar year for authorized travel in a personal vehicle relating to official school business.

2014-004 Budgetary Condition – (Compliance)

Condition: The School had expenditure functions where actual expenditures exceeded budgetary authority:

Operational Fund (11000)	
Food Service Operations	\$22,533
Teacher Principal Training (24154)	
Support Services	\$ 1,165
Title XIX Medicaid 3/21 Years (25153)	
Instruction	\$ 81

Criteria: Sound financial management and 6.20.2.9 (A) NMAC and 22-8-5 through 22- 8-12.2 NMSA 1978 require that budgets not be exceeded at the legal level of control. For school districts the function is the legal level of control.

Effect: The school is out of compliance with State Law and the control established by the use of budgets has been compromised.

Cause: A budget adjustment request was never submitted to account for the additional expenditures incurred.

Recommendation: The School should establish a policy of budgetary review at year-end and make the necessary budgetary adjustments.

Management's Response: Management will review the current policy that is in place to review budget-to-actuals for the estimation of the year end position. Currently the school's finance committee meets in June to review the estimates and create any necessary budget adjustments. In FY 2015 a review was done of the Food Service program and food expenditures in excess of total revenues for the program were reallocated to the Operational fund. The review was done at year end after final Budget Adjustment Requests were due to the PED. Management will continue to work with the school and monitor the food service account for anticipated funding pitfalls due to the unique setup of the charter schools food service program. The Business Manager will post any necessary BARs by December 31st.

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UPLIFT COMMUNITY SCHOOL (CONTINUED)

2015-001 Personnel Files – (Compliance)

Condition: Thirteen employees were selected for payroll testing. The following items were noted:

Two employee's personnel files did not contain background checks or certifications.

Criteria: NMAC 6.20.2.18 requires that schools maintain and have available for inspection the following employee record documentation: employment contracts (including increments), personnel/payroll action forms, certification records, employment eligibility verification (Federal Form I-9), federal and state withholding certificates, pay deduction authorizations, pay or position change notices, Educational Retirement Act plan application, and direct deposit authorizations.

Effect: The School is not in compliance with New Mexico State Statutes in regards to employee record documentation.

Cause: The School is not reviewing the personnel files for compliance with State Statutes.

Recommendation: The School should review all personnel files to ensure that required documentation required by NMAC 6.20.2.18 is available.

Management's Response: The Uplift Community School has adopted policies that exceed those of the State when it comes to the area of new hire documentation. The school requires that all new staff members pass a background check, usually ran through the McKinley County Sheriff's office, unless the employee has a copy of a background check within two years of their hire date. The school was able to document that the employees in question had background checks, but did not have copies of the background checks to provide the auditors. Uplift will review the policies and procedures related to hiring with all applicable personnel. Uplift will also develop a policy for recurring background checks for all staff members, not just those who are seeking new employment with the school. The school will require that all staff members provide due diligence as to their licensure status and/or application with the State of New Mexico whether through the renewal process, reciprocity process, or the new applicant process. This will include a detailed timeframe for follow-up in order to continue their employment. This will be completed by December 31st.

2015-002 Purchase Orders Subsequent to Invoice – (Significant Deficiency)

Condition: During our testing of sixty cash disbursements, there were five instances (totaling \$3,645) in where the Purchase Order was prepared subsequent to the vendor's invoice date.

Criteria: Section NMAC 6.20.2.17 (A), requires 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 et seq., NMSA 1978. An internal control structure over purchasing shall be established and maintained to assure compliance with school policy, and state and federal regulations. Also, the New Mexico Manual of Procedures for Public School Accounting and

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UPLIFT COMMUNITY SCHOOL (CONTINUED)

2015-002 Purchase Orders Subsequent to Invoice – (Significant Deficiency)

Budgeting, Supplement 13 – Purchasing, states that “the preparation and execution of a duly authorized purchase order must precede the placement of any order for goods, services or construction.”

Effect: Not being in compliance with state purchasing requirements places the School at risk for fraud or misuse of public funds.

Cause: School personnel did not follow established procurement policies of the School.

Recommendation: All School personnel should be reminded that initiation of a purchase order is not sufficient for ordering; that an approved Purchase Order is required per School and State guidelines.

Management’s Response: Uplift Community School has worked hard to develop financial policies and procedures that are both compliant and safe guard the school from financial mismanagement. Management will work with the school administration and all staff to emphasize the procedures established and ensure that all purchases have an approved purchase order before goods or services are ordered. Management will have this completed by December 31st.

2015-003 Check Signing – (Compliance)

Condition: During our testing of sixty cash disbursements, there were six instances (totaling \$18,850) in where a check over \$250 only had one authorized signer.

Criteria: Section NMAC 6.20.2.17 (A), requires 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 et seq., NMSA 1978. An internal control structure over purchasing shall be established and maintained to assure compliance with school policy, and state and federal regulations. The School has established an internal policy which requires all Checks of \$250 or more to be signed by two authorized check signers.

Effect: The School was not in compliance with its own internal control procedures. Non-compliance with established internal controls places the School at risk for fraud or misuse of public funds.

Cause: School personnel did not follow established procurement policies of the School.

Recommendation: The School should follow its own internal controls and ensure that all checks of \$250 or more be signed by two authorized check signers.

Management’s Response: The schools financial policies and procedures that have been adopted were created to protect the school against financial mismanagement and fraud. As new personnel were brought on to the schools governance and administration they were not made readily aware of the

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UPLIFT COMMUNITY SCHOOL (CONTINUED)

2015-003 Check Signing – (Compliance)(Continued)

policy requiring two check signers for all amounts over \$250. The school has reviewed their financial policies and procedures and has updated the threshold required for dual signors to better reflect the need to process routine transactions and employee's payroll timely. Management will ensure that all authorized check signers are made aware of the schools policies relating to check signing on a regular basis. Management will complete this by December 31st.

WALATOWA HIGH CHARTER SCHOOL

2013-001 – Timely Deposits – (Non-compliance in accordance with the New Mexico State Audit Rule)

Condition: During our cash receipts testwork, we noted the following cash receipts were not deposited within the 24-hour requirement. We noted two of ten transactions tested, in the amounts of \$2,849.06 and \$10,000 that were received on November 14, 2014 and September 29, 2014, respectively, and were not deposited until November 18, 2014 and October 1, 2014, respectively.

Criteria: NMAC 6.20.2.14.C states "money received and receipted shall be deposited in the bank within twenty-four (24) hours or one banking day."

Effect: The School was not in compliance with New Mexico State statute as stated above.

Cause: The School's policies and procedures regarding cash receipts are not being enforced.

Recommendation: Implement policies and procedures to ensure deposits are made within 24 hours of the cash receipt or apply for an exception to this requirement as stated in the statute 6.20.2.14 C. that "If the distance to the bank is considerable, or the cash collection is limited to small amounts and/or low volume and it is impractical to meet the twenty-four/one banking day requirement, the board may request approval from the department for an alternative plan. The bank deposit slip shall have the numbers from applicable receipts entered on it or attached as a reference."

Management's Response: The School will enforce school policies and procedures to ensure deposits are made within the 24 hours of cash receipt. The School has designated WHCS Business Manager, WHCS Principal and/or designee to deposit cash receipts within the 24 hour window. In case deposit cannot be made in the timeframe allotted, WHCS Business Manager will provide documentation and deposit next business day.

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WALATOWA HIGH CHARTER SCHOOL (CONTINUED)

2013-004 Travel & Per Diem/Internal Controls (Non-Compliance in Accordance with the New Mexico State Audit Rule)

Condition: During our testwork of travel and per diem, we noted itemized meal receipts that were not included in the supporting documentation prior to the employee reimbursement for the total amount of \$55.25.

Criteria: Per NMAC 6.20.2.11, every School shall establish and maintain an internal control structure that ensures 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.

Effect: The School is not in compliance with New Mexico State statute regarding per diem and travel requirements.

Cause: Lack of internal controls to ensure the School follows travel and per diem guidelines during travel by School employees.

Recommendation: Follow the Travel and Per Diem and Mileage Act for local governments as well as those guidelines stated in the School's policies and procedures that itemized receipts must be included in supporting documentation upon submitting a request for reimbursement.

Management's Response: WHCS Corrective Action

- Board will approve Travel & Per Diem reimbursement based on Internal Revenue Service annual standard.
- Mileage will be based utilizing the Rand McNally mileage calculator
- Itemized receipt will be required before reimbursement is processed.

2014-001 Internal Control Structure- (Non- Compliance in accordance with the New Mexico State Audit Rule)

Condition: During our cash receipts testwork, we noted that the School had receipts from student activities, such as athletic events, game tickets and concessions, and various fundraisers. We performed the cash receipts test work regarding these activities and noted the following:

- Athletic events tested did not have supporting documentation regarding cash receipts in the total of \$9,202 for various events during the School year. In addition, for the athletic events there was no reconciliation of total tickets issued and sold for these events (excluding district games).
- Cash collections from Prom 2015 generated revenue of \$1,226. There was no supporting documentation on how much was collected.

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WALATOWA HIGH CHARTER SCHOOL (CONTINUED)

2014-001 Internal Control Structure- (Non- Compliance in accordance with the New Mexico State Audit Rule)(Continued)

Criteria: NMAC 6.20.2.11 requires that every school district maintain an internal control structure to provide management with reasonable assurance that assets are safe-guarded against loss from unauthorized use of dispositions.

Effect: The School was not in compliance with New Mexico State statute regarding cash receipts collected at student activities. Additionally, the School is exposed to misappropriation of assets due to the lack of multiple independent cash counts at sporting events.

Cause: Due to the availability of staff, the School has difficulty performing independent counts at sporting events at the School and the School does not have policies and procedures in place for cash receipts collected at sporting events and for other events.

Recommendation: Ensure policies and procedures are implemented to safeguard cash collected at student activity events, i.e. sporting events. The following controls should be implemented:

- Cash should be collected by at least two individuals. Each person should have their own bank which is maintained and then counted by another individual. Once counted by more than one individual, the total amount should be documented and the individuals who performed the count should sign the cash count form.
- The School should use prenumbered tickets for all sporting events. The number of tickets used for a sporting event should be documented and tracked. Once the event is completed, the School should reconcile the number of tickets sold to the total amount of cash collected. Any discrepancies should be investigated.

Management's Response: WHCS Corrective Action: (Process)

- WHCS will distribute pre-numbered tickets to verify for all sporting events for tracking.
- Once event is completed, WHCS will reconcile the number of tickets sold to the total amount of cash collected.
- Two designated WHCS employees will review tickets sold, collect and count cash, secure documented amount in WHCS facility.
- Within 24 hours, deposit amount at bank and return receipt to WHCS Business Manager for review. All bank deposits and cash count are to coincide. In case deposit cannot be made in the timeframe allotted, WHCS Business Manager will provide documentation and deposit next business day.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2015**

WALATOWA HIGH CHARTER SCHOOL (CONTINUED)

2014-002 – Payroll Transactions (Non-Compliance in Accordance with the New Mexico State Audit Rule)

Condition: During testwork performed on 25 employee personnel files, we noted the following:

- I-9 forms were present in the employee files for 12 employees tested but were not complete with employer review and approval. One I-9 form was complete but the employee authorized their own review of personnel documents.
- Background results for 11 employees were not on file. In addition, we noted a background check for one employee was completed March 26, 2015 which is subsequent to employment of July 30, 2014 per the employee contract.

Criteria: State regulation 6.20.2.18, NMAC states that the School must maintain and have available for inspection all payroll related documentation, including but not limited to employee contracts, I-9's, W-4's, timecards.

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.

Effect: The School has a potential for lawsuits, as it is not protecting itself by performing background checks required by state statute as stated above. Completed I-9 forms are important since they document the identity and employment of new employee (both citizen and noncitizen).

Cause: Employee files were not properly maintained and kept up to date to include all changes to employee information. Portions of supporting documentation were kept but information was not complete for review.

Recommendation: We recommend the School review their personnel files to ensure all required documents are completed and maintained. We also recommend the School review their policies and procedures manual regarding background checks and ensure that each employee has been given a background check before their date of hire.

Management's Response: The School has reviewed and corrected unsigned documents. WHCS Business Manager and WHCS Superintendent/Principal or appointed designee will ensure that all reviewed and signed supporting documentation is in employee file prior to employment.

All employees will be required to complete and/or update all background checks which will be placed in personnel file no later than January 2016. The School is in process with Cogent Background Services to complete all background checks for employees.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2015**

WALATOWA HIGH CHARTER SCHOOL (CONTINUED)

2015-001 Budget Adjustment Requests (BAR) (Non-Compliance in Accordance with the New Mexico State Audit Rule)

Condition: Five of the five budget adjustment requests tested were not specifically included in the governing council meeting minutes as having been reviewed and approved prior to submitting the budget adjustment request to PED.

Criteria: As stated in the Financial Policies for Walatowa High Charter School, “the business manager will submit the proposed modified budget to the Executive Director or designee for approval. Once approved by the Executive Director or designee, the proposed modified budget is submitted to the Governing Board for approval at a scheduled meetings. If the changes are approved, the approval is noted in the meeting minutes. A budget adjustment request is then submitted either electronically or manually to the Public Education Department for approval.”

Effect: When BAR’s are not first discussed with the Governing Council, this prevents the council from having accurate information regarding the budget in order to make decisions. They are also unaware of the balance changes that the school is requesting.

Cause: Governing Council minutes stated the board approved BAR adjustments but did not include the details as to which BAR was discussed and approved.

Recommendation: Ensure minutes include necessary detailed information pertaining to all items discussed, prior to being approved by the Council. The minutes should clearly document the approved budget adjustment request in the board minutes.

Management’s Response: Budget adjustment request and Governing Board approval will be noted in meeting minutes. Names of the Governing Board members that approved budget adjustments will be reflected in Governing Board meeting minutes.

2015-002 Internal Control– (Non-compliance in accordance with the New Mexico State Audit Rule)

Condition: During testwork performed on journal entries, we noted the following:

- Four of the six journal entries tested totaling \$11,476.38, had no evidence that the entry was reviewed by a secondary reviewer before posting to the general ledger.
- Six of the six journal entries tested totaling \$117,151, did not have supporting documentation for the respective entry.

Criteria: Per 6.20.2.11 of NMAC section B which states that each school district shall develop, establish and maintain a structure of internal accounting controls and written procedures to provide for segregation of duties, a system of authorization and recording procedures, and sound accounting practices in performance of duties and functions. The duties to be segregated are the authorization to execute a transaction, recording the transaction, and custody of assets involved in the transaction.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2015**

WALATOWA HIGH CHARTER SCHOOL (CONTINUED)

2015-002 Internal Control– (Non-compliance in accordance with the New Mexico State Audit Rule)(Continued)

Effect: Lack of supporting documentation for journal entries can lead to an increased risk of fraud or improper posting of journal entries. The posting of journal entries to the incorrect fund or journal entries that do not balance can cause material misstatement to the financial statements. The business manager could make entries that could be inappropriate and would not be detected or corrected when journal entries are not properly and consistently reviewed.

Cause: The School is not consistently following their financial policies and procedures.

Recommendation: The journal entries should be presented to the executive director or finance committee with supporting documentation and properly approved prior to posting to ensure that the accounts and balances are accurate.

Management's Response: All journal entries are submitted to Walatowa High Charter School Superintendent/Principal for approval and Business Manager and will include detailed supporting documents'.

2015-003 Grants Management – Accounts Receivable (Significant deficiency)

Condition: During testwork performed on accounts receivable, we noted the following which required adjusting journal entries:

- Capital Improvements SB-9 (Fund 31700) had expenditures recorded at year-end, however no revenues or receivables were recorded. A request for reimbursement was submitted but not recorded or received as of October 2015.
- GEAR UP (Fund 25205) showed a significant net loss for the year. A request for reimbursement was submitted but not recorded or received as of October 2015. Subsequent to fieldwork, the granting agency provided the school a letter decreasing the reimbursement for disallowed expenditures.
- Indian Education (Fund 27150) showed an overall net loss for the year. Five requests for reimbursements were submitted and received subsequent to year-end, two requests were not fully reimbursed.

Criteria: The School must have a system in place to track revenues and expenditures for each fund, including requests for reimbursements.

Effect: The School is not properly recording revenues and expenditures for each fund.

Cause: The school does not have a system in place for tracking requests for reimbursement. There is no reconciliation in place to compare the funds received to the funds requested.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2015**

WALATOWA HIGH CHARTER SCHOOL (CONTINUED)

2015-003 Grants Management – Accounts Receivable (Significant deficiency)(Continued)

Recommendation: Establish a tracking system for requests for reimbursements that identifies the date submitted and date received, along with any variance in the amount received and disallowed costs. The School should establish a process to follow up on any pending request for reimbursements within a reasonable period of time.

Management's Response: WHCS has received all Requests for Reimbursements' for all Capital Improvements SB-9, NM Gear-Up and Indian Education after October, 2015. WHCS has a file for each of all Funds' that require RfRs' and makes' copies' of all RfR's that process through OBMS and PED.

2015-004 - Budgetary Conditions (Non-Compliance in Accordance with the New Mexico State Audit Rule)

Condition: The School did not properly budget prior year cash carry-over in the following funds:

- Impact Aid Special Education (25147) – prior year cash of \$31,872 was insufficient to cover the current year final budget deficit of \$37,619.
- Center for Native Education (26181) – prior year cash of \$5,583 was insufficient to cover the current year final budget deficit of \$7,672.
- New Mexico GEAR Up (28178) – prior year cash of \$1,132 was insufficient to cover the current year final budget deficit of \$1,165.

Criteria: Per NMAS 6.20.2.9 (A) every school district shall follow budget requirements stated in Sections 22-8-2 through 22-8-12.2, NMSA 1978, and procedures of the department in preparing, submitting, maintaining and reporting budgetary information.

Effect: The School is out of compliance with New Mexico state statute and the controls established by the use of budgets has been comprised, which would result in deficit fund balances and unnecessary usage of funds to cover the budgeted over expenditures.

Cause: The budget adjustment request did not consider prior year carry-over amounts for the above funds and budget adjustment requests were not prepared and submitted to PED.

Recommendation: We recommend that the School establish a policy where the budget is reviewed at the end of each quarter and give consideration to deficits and ensure that designated cash is available to cover such overages.

Management's Response: WHCS did have in place BARs' for carry-over monies and WHCS Governing Board approves the RfRs' which are then submitted through OBMS for PED approval. This was also explained to the auditor during WHCS's exit meeting and we took a copy of the PED approved BAR. Fund 26181-This fund is no longer in existence, this was explained to the auditor during the WHCS's exit meeting.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2015

WALATOWA HIGH CHARTER SCHOOL (CONTINUED)

2015-004 - Budgetary Conditions (Non-Compliance in Accordance with the New Mexico State Audit Rule)(Continued)

Fund 28178- This fund has been re-assigned as Fund 25205, NM Gear-Up. No expenditures' have been expended since WHCS needs' prior approval from HED-NM Gear-Up.

2015-005- Bank Accounts and Bank Reconciliations (Significant Deficiency)

Condition: During testwork performed over cash, we noted the following items on the June 2015 bank reconciliation:

- Six items dated from June 30, 2012 through October 27, 2014 were identified as outstanding deposits; however, these are adjustments to correct cash balances that are carried forward each month.
- Five items listed as outstanding checks were dated prior to July 1, 2014.
- One item was listed as an outstanding payment for April 2015, however it cleared the bank in May 2015 and was not removed from the outstanding check list.
- The June 2015 bank reconciliation listed four payroll items as outstanding payments that were not processed or submitted electronically until July 2015.

- The June 2015 bank reconciliation identified a payroll transaction as clearing the bank in June, however the payment did not clear the bank until July 2015.

Criteria: Per NMAC 6.20.2.14 Cash Control Standards, bank accounts shall be reconciled on a monthly basis and school districts shall establish and maintain a cash management program to safeguard cash and provide prompt and accurate reporting.

Effect: The School is not properly recording cash transactions and reporting accurate cash balances. The cash balance at year-end could be understated due to stale-dated items and items identified as outstanding that are not.

Cause: The business manager records payroll transactions when payroll is processed, however, these payments do not get submitted electronically until the subsequent month, and the amount of the payment may differ. The business manager has encountered problems preparing the bank reconciliations in the accounting system and has not been able to resolve the issues.

Recommendation: The business manager should obtain training or assistance from AptaFund to resolve any issues. Outstanding items should be reviewed monthly and resolved in a timely manner. Payments should be recorded in the month they occur.

Management's Response: WHCS has been working with Aptafund to resolve the stale checks'-in progress. Payroll expenditures' are due on the 5th and 10th of the following month. This was also

STATE OF NEW MEXICO
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SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2015

WALATOWA HIGH CHARTER SCHOOL (CONTINUED)

2015-005- Bank Accounts and Bank Reconciliations (Significant Deficiency)(Continued)

explained to the auditor during the exit conference. These are the required payments' dates' from the prospective vendors'.

WILLIAM W. & JOSEPHINE DORN CHARTER SCHOOL

2014-001 Timely Deposits (Non-Compliance in Accordance with the New Mexico State Audit Rule)

Condition: During our review of a sample of 10 cash receipts, we noted the following issues:

- One cash receipt received was not deposited within twenty-four hours.
- One cash receipt was not documented correctly and consequently the auditors could not verify the promptness of the deposit.

Criteria: NMAC 6.20.2 states that "money received and receipted shall be deposited in the bank within twenty-four (24) hours or one banking day." Section D of that same statute states that "a cash receipts journal is to be used for each fiscal year beginning July 1 and ending June 30, and is to be presented to the school district's auditor during the annual audit.

Effect: William W. & Josephine Dorn Charter School was not in compliance with State Statute. Additionally the School has exposed itself to possible misappropriation of assets.

Cause: William W. & Josephine Dorn Charter School did not maintain a cash receipts log.

Recommendation: Ensure the William utilizes a cash receipts log to document the date and amount of each receipt and create a procedure to ensure that all funds are deposited within 24 hours of receipt.

Management's Response: The School has created a cash receipt log to document the date and amount of each receipt collected by the school. This will also help ensure that all money received is deposited within a 24-hour period. Administrative staff and the principal will be responsible for ensuring that this be corrected.

2014-002 Personnel File Maintenance (Non-Compliance in Accordance with the New Mexico State Audit Rule)

Condition- During our review of a sample of 25 employee files, we noted two instances where employee background checks were not available for the auditors review.

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.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2015

WILLIAM W. & JOSEPHINE DORN CHARTER SCHOOL (CONTINUED)

2014-002 Personnel File Maintenance (Non-Compliance in Accordance with the New Mexico State Audit Rule)(Continued)

Effect: Potential litigation exists as the William W. & Josephine Dorn Charter School is not performing background checks required by state statute.

Cause: The School did not properly complete and/or maintain employee background check documentation.

Recommendation- Ensure that the School reviews personnel files periodically to ensure that all the required documents have been obtained and that the files are complete.

Management's Response: The School did make sure that all employees had a background check, however, the background checks were not printed and placed in the employee folder. The school now knows how to download the background checks and will print a copy and place it in the employee file. Administrative staff and the principal will be responsible for ensuring that this be corrected.

2014-005 Documentation of Minutes (Non-compliance in Accordance with the New Mexico State Audit Rule)

Condition: During our review of the minutes for the Governance Council, we noted that formal minutes were not always maintained. We noted instances where the agendas were used as the minutes for the meeting. Additionally, minutes were not always adequately detailed.

Criteria: Per NMSA 10-15-1, the minutes shall include at a minimum the date, time, and place of the meeting, the names of members in attendance and those absent, the substance of the proposals considered and a record of any decisions and votes taken that show how each member voted.

Effect: William W. & Josephine Dorn Charter School is not in compliance with State Statute.

Cause: William W. & Josephine Dorn Charter School has had several different recorders for the minutes and the applicable requirements are not being followed consistently.

Recommendation: William W. & Josephine Dorn Charter School should follow the open meeting act in regards to documenting the schools minutes.

Management's Response: The School will ensure that the board minutes are more detailed. Governing Council will be responsible for correcting the minutes.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2015

WILLIAM W. & JOSEPHINE DORN CHARTER SCHOOL (CONTINUED)

2015-001 Excess of Expenditures over Budget (Non-Compliance in Accordance with the New Mexico State Audit Rule)

Condition: William W. & Josephine Dorn Charter School had expenditure functions where actual expenditures exceeded budgetary authority by the following amounts:

Operational (11000)	
Food Service Operations	\$22
K-3 Plus (27166)	
Operation of Plant	\$38

Criteria: Per NMAC 6.20.2.9 (A) every school district shall follow budget requirements stated in Sections 22-8-5 through 22-8-12.2, NMSA 1978, and procedures of the department in preparing, submitting, maintaining and reporting budgetary information. Budgetary control shall be at the function level. Over-expenditure of a function shall not be allowed

Effect: William W. & Josephine Dorn Charter School expenditures in the above functions exceeded the total approved budgeted expenditures by \$22 and \$38.

Cause: Budgetary controls were not in place to adequately monitor and regularly compare budget to actual results. As a result, measures were not taken to avoid the amount that actual expenditures exceeded the approved budgets for the William W. & Josephine Dorn School's Operational and K-3 plus funds.

Recommendation: Controls should be implemented to ensure that budgeted amounts are compared to actual on a regular basis and the budget effectively utilized for controlling expenses and managing cash flow.

Management's Response: The School will ensure the controls are being followed and that the budget is being reviewed on a regular basis. The school will create BARs as needed to make sure that the actual expenditures do not exceed the budget. The Business Manager will be responsible for ensuring the Budget is correct.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
Year Ended June 30, 2015**

Public Education Department

2011-001	Financial Close and Reporting	Resolved
2012-005	Review of Security Logs and Monitoring of Scheduled Jobs	Resolved
2013-001	Error in Funding Calculation for State Equalization Grants Funds	Resolved
2013-002	Fund Balance Restatement	Resolved
2013-003	Improve Other IT General Controls	Repeated
2013-005	Untimely Reversions	Repeated
2013-006	Final Approved Grant Application Not Posted to Website	Resolved
2014-001	Journal Entry	Resolved
2014-002	Internal Controls Over Cash Disbursements	Resolved
2014-005	Timely Filing of Data Collection Form	Resolved
2014-008	Capital Assets	Resolved
2014-009	Agency Fund Disbursements	Resolved
2014-010	Due Date of Audit Report	Resolved
SEA MOE 001	State MOE Process and Procedure	Resolved
SEA MOE 002	Violations of PED's 2007 Policy	Resolved
SEA MOE 003	New Mexico Certification of Compliance with SEA MOE for 2010 was Incorrect	Resolved
SEA MOE 004	PED's 2007 Policy Should be Updated	Resolved
SEA MOE 005	Document Review and Approval of State MOE	Resolved
SEA MOE 006	Communications to Parties External to PED	Resolved
SEA MOE 007	Information Needed from Other State Agencies	Resolved
SEA MOE 008	Standardized Approach for SEA MOE	Resolved
LEA MOE 009	Documentation of LEA MOE Process	Resolved
LEA MOE 010	Documentation and Assumption of Responsibilities for LEA MOE Compliance for Some Charter Schools	Resolved

Division of Vocational Rehabilitation

2012-002	Financial Close and Reporting	Resolved
2013-002	Capital Assets	Resolved
2014-003	Improve General IT Controls	Repeated
2014-004	Internal Controls Over Cash Disbursements	Repeated
2014-006	Period of Availability	Resolved
2014-007	Eligibility	Repeated

Academy of Trades and Technology

2014-001	Internal Control of Cash Disbursements	Resolved
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**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS (CONTINUED)
Year Ended June 30, 2015**

Academy of Trades and Technology Foundation

2012-002	Foundation - Internal Control Structure	Repeated
2013-001	Foundation – Composition of Board	Repeated

Ace Leadership High School

2014-001	Composition of Board	Resolved
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Albuquerque Institute for Mathematics & Science

2014-001	New Mexico Educational Retirement Board and Retiree Health Care Act Contributions Testing	Resolved
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Albuquerque School of Excellence

2014-001	Personnel Files and Payroll Approval	Resolved
2014-002	Travel and Per-Diem	Resolved

Albuquerque Sign Language Academy

2014-001	Travel and Per-Diem	Repeated
2014-002	Staff Qualifications	Repeated

Aldo Leopold High School

2011-007	State Cash Report	Resolved
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Alma D'Arte Charter High School

2014-001	Timely Deposits	Repeated
2014-002	Budgetary Conditions	Resolved

Amy Biehl Charter High School

2014-001	Mileage Reimbursements	Repeated
2014-002	Authorized Rate of Pay	Resolved
2014-003	Personnel Files	Resolved
2014-004	Lack of Segregation of Duties	Resolved

Anthony Charter School

2014-001	Timely Deposits	Repeated
2014-002	Mileage Reimbursements	Repeated
2014-003	Audit Committee	Repeated
2014-004	Supporting Documentation	Resolved

Ask Academy

2013-001	Timely Deposits	Repeated
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**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS (CONTINUED)
Year Ended June 30, 2015**

Cesar Chavez Community School

2013-001	Disposition of Capital Assets	Resolved
2014-001	Educational Retirement Board (ERB) and Retiree Health Care (RHC) Contributions	Resolved
2014-002	Payroll Documents	Resolved

Cien Aguas International School

2013-001	Contracting	Resolved
2013-002	Audit Committee	Resolved
2014-001	Travel and Per Diem	Repeated
2014-002	Personnel Files and Benefits Documentation	Repeated
2014-003	Staff Qualifications	Repeated
2014-004	Segregation of Duties	Resolved

Coral Community Charter School

2014-001	Timely Deposits	Repeated
2014-002	Internal Control Structure	Repeated

Cottonwood Classical Preparatory School

2014-001	Compliance with Bond Covenants	Resolved
2014-002	Compliance with Payroll Recordkeeping	Repeated
2014-003	Violation of the New Mexico Anti-Donation Clause	Repeated

Creative Education Preparatory Institute

2009-024	PED Cash Report	Repeated
2011-001	Internal Control Structure	Repeated
2011-002	Budgetary Conditions	Repeated
2011-003	Bank Accounts	Repeated
2012-003	ERB Contributions	Repeated
2013-001	Procurement Code and Related Contract with Vendor	Resolved
2013-002	IDEA-B – Cash Management	Repeated
2014-001	Lack of Segregation of Duties	Repeated
2014-002	Retiree Health Care Contributions	Repeated
2014-003	Purchase Orders	Repeated
2014-004	Timely Deposits	Resolved
2014-005	Mileage Reimbursements	Repeated

East Mountain High School

2014-001	Grant Compliance	Resolved
2014-002	Purchase Orders Subsequent to Invoice	Repeated
2014-003	Mileage Reimbursements	Repeated

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS (CONTINUED)
Year Ended June 30, 2015**

Estancia Valley Classical Academy

2014-001	Timely Deposits	Resolved
2014-002	Financial Statement Preparation	Resolved
2014-003	Foundation Account Reconciliations	Resolved

Gilbert L. Sena Charter High School

2014-001	Supporting Documentation	Repeated
2014-002	Pledged Collateral	Resolved

Health Leadership High School

2014-001	Submission of Claim Reports	Resolved
2014-002	Audit Committee	Resolved

Horizon Academy West

2014-001	Payroll Transactions	Repeated
2014-002	Timely Deposits	Resolved
2014-003	Internal Control Structure	Resolved
2014-004	Budget Adjustment Requests	Resolved
2014-005	Violation of the New Mexico Anti-Donation Clause	Repeated

International School at Mesa Del Sol

2013-001	Audit Committee/Exit Conference	Resolved
2014-001	Mileage Reimbursements	Repeated
2014-002	Pledged Collateral Requirements	Resolved

J. Paul Taylor Academy

2014-001	Supporting Documentation	Repeated
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La Jicarita Community School

2013-002	Internal Control Structure	Resolved
2014-001	Travel and Per-Diem	Resolved
2014-002	Internal Control Structure	Resolved
2014-003	Payroll and Personnel Files	Repeated
2014-004	Procurement	Resolved

La Promesa Early Learning Center

2014-001	Purchase Orders Subsequent to Invoice	Repeated
2014-002	Educational Retirement Board Contributions	Resolved
2014-003	Budgetary Condition	Resolved

La Resolana Leadership Academy

2014-001	Negative Total Net Position	Resolved
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**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS (CONTINUED)
Year Ended June 30, 2015**

La Tierra Montessori School for the Arts and Sciences

2014-001	Cash Disbursements Transaction Cycle Control Deficiencies	Resolved
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Masters Program

2014-001	Mileage Reimbursements	Repeated
2014-002	Procurement Documentation	Repeated
2014-003	Personnel Files	Repeated

McCurdy Charter School

2013-002	Procurement	Resolved
2014-001	Journal Entry Process	Resolved
2014-002	Internal Control Environment	Resolved
2014-003	Non-compliance with Cash Deposit Requirements	Repeated
2014-004	Controls over Cash Disbursements Cycle	Resolved
2014-005	Controls Over Payroll Disbursements Cycle	Resolved
2014-006	Compliance with Pledged Collateral Requirements	Repeated
2014-007	Expenditures in Excess of Budgeted Amounts	Repeated

Media Arts Collaborative Charter School

2014-001	Mileage Reimbursements	Repeated
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Mission Achievement and Success

2014-001	Purchase Order Subsequent to Invoice	Repeated
2014-002	Mileage Reimbursements	Repeated

Montessori Elementary

2010-030	Budgetary Conditions	Resolved
2010-031	Budget Adjustment Requests (BAR)	Resolved

New America School

2012-002	Internal Control Structure	Repeated
2014-001	RHC Contributions	Resolved

New America School – Las Cruces

2014-001	Mileage Reimbursements	Repeated
2014-002	Timely Deposits	Repeated

New Mexico Connections Academy

2014-001	Pledged Collateral Requirements	Resolved
2014-002	Mileage Reimbursements	Repeated
2014-003	Dual Signatures on Checks	Repeated
2014-004	Purchase Order Subsequent to Invoice	Repeated

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS (CONTINUED)
Year Ended June 30, 2015**

New Mexico Connections Academy (Continued)

2014-005	Timely Deposits	Resolved
2014-006	Budgetary Conditions	Resolved

New Mexico International School

2014-001	Account Reconciliations	Resolved
2014-002	Excess Expenditures Over Budget	Resolved
2014-003	Disposition of Equipment	Resolved
2014-004	Personnel Files and Benefit Deductions	Resolved
2014-005	Cash Deposits	Repeated

New Mexico School for the Arts

2014-001	Procurement Code	Resolved
2014-002	Internal Control Structure	Resolved
2014-003	Travel and Per Diem	Resolved

North Valley Academy

2014-001	Dual Signature on Checks	Resolved
2014-002	Mileage Reimbursements	Repeated
2014-003	Pledged Collateral	Resolved

Ralph J Bunche Academy

2009-164	Internal Control Structure	Resolved
2014-001	Dual Signatures on Checks	Resolved
2014-002	Mileage Reimbursements	Resolved
2014-003	Personnel Files	Resolved
2014-004	Budget Adjustment Requests	Resolved

Red River Valley Charter School

2014-001	Personnel Files and Benefits Documentation	Resolved
2014-002	Transportation Funds	Resolved

Sage Montessori Charter School

2014-001	Cash Receipts	Resolved
2014-002	Personnel Files	Repeated
2014-003	Internal Control Structure	Resolved

School of Dreams Academy

2014-001	Per Diem and Mileage Act	Repeated
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Southwest Aeronautics, Mathematics, & Science Academy

2014-001	Lack of Internal Controls over Accounting Records	Repeated
2014-002	State Audit Rule	Repeated

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS (CONTINUED)
Year Ended June 30, 2015**

Southwest Intermediate Learning Center

2014-001	Lack of Internal Controls over Accounting Records	Repeated
2014-002	State Audit Rule	Repeated

Southwest Primary Learning Center

2014-001	Lack of Internal Controls over Accounting Records	Repeated
2014-002	State Audit Rule	Repeated

Southwest Secondary Learning Center

2014-001	Lack of Internal Controls over Accounting Records	Repeated
2014-002	State Audit Rule	Repeated

Taos Academy

2014-001	Procurement Code	Repeated
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Taos Integrated School of the Arts

2014-001	Timely Deposits	Resolved
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The Learning Community Charter School

2009-003	Internal Control Structure	Repeated
2013-002	Procurement Code	Repeated
2014-001	Internal Control Structure	Repeated
2014-002	Personnel File Maintenance	Resolved
2014-003	Timely Deposits	Resolved

Tierra Adentro

2014-001	Internal Control Structure and Prepayment for Services	Repeated
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Uplift Community School

2013-002	Internal Control Structure	Repeated
2014-001	Supporting Documentation	Repeated
2014-002	State Auditor Notification	Resolved
2014-003	Mileage Reimbursements	Repeated
2014-004	Budgetary Conditions	Repeated

Walatowa High Charter School

2013-001	Timely Deposits	Repeated
2013-004	Travel and Per Diem	Repeated
2013-008	Employee Contract	Resolved
2014-001	Internal Control Structure	Repeated

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS (CONTINUED)
Year Ended June 30, 2015**

Walatowa High Charter School (Continued)

2014-002	Payroll Transactions	Repeated
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William W. & Josephine Dorn Charter Community School

2014-001	Timely Deposits	Repeated
2014-002	Personnel File Maintenance	Repeated
2014-003	Procurement Code	Resolved
2014-004	Budget Adjustment Requests (BAR)	Resolved
2014-005	Documentation of Minutes	Repeated

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
EXIT CONFERENCE
June 30, 2015**

Public Education Department

Date of Exit Conference: November 25, 2015

*Representing Public Education
Department:*

Mark Gonzales	Audit and Accounting Supervisor Administrative Services Division
Marian Rael	Chief Financial Officer
Eileen Marrojo Gallegos	Director of Operations Deputy Secretary, Finance and Operations
Paul Agular	Secretary of Education
Hanna Skandera	Administrative Services Director of DVR
Michael Mulligan	

*Representing Axiom CPAs and Business
Advisors LLC:*

Chris Garner	Partner
Miranda Mascarenes	Audit Supervisor

Department of Vocational Rehabilitation

Date of Exit Conference: November 25, 2015

*Representing Department of Vocation
Rehabilitation:*

Mark Gonzales	Audit and Accounting Supervisor Administrative Services Division
Marian Rael	Chief Financial Officer
Eileen Marrojo Gallegos	Director of Operations Deputy Secretary, Finance and Operations
Paul Agular	Secretary of Education
Hanna Skandera	Administrative Services Director of DVR
Michael Mulligan	

*Representing Axiom CPAs and Business
Advisors LLC:*

Chris Garner	Partner
Miranda Mascarenes	Audit Supervisor

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
EXIT CONFERENCE
June 30, 2015**

Academy of Trades and Technology

Date of Exit Conference: November 19, 2015

Representing Academy of Trades and Technology:

Harold Field	Board Member
Lee Maxwell	Board Member
Lori Lajacno	Principal
Al Martinez	Business Manager

Representing Pattillo Brown and Hill: John Gordon Partner

ACE Leadership High School

Date of Exit Conference: November 20, 2015

Representing ACE Leadership High School:

Sam Hatchell	Board President
Clark Cagle	Board Treasurer
Tori-Stephens-Shauger	Head Administrator/Principal
Leslie Lujan	Business Manager/Finance Director
Denise Wadkins	Board Treasurer for the Foundation Foundation - Contracted
Angela Davis	Accountant

Representing Pattillo Brown and Hill: John Gordon Partner
David Baca Senior Auditor

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
EXIT CONFERENCE
June 30, 2015**

Albuquerque Institute for Mathematics & Science

Date of Exit Conference: November 30, 2015

*Representing Albuquerque Institute for
Mathematics & Science:*

Jolene Jaramillo	Business Manager
Steven Smith	Board Member
Andy Vikta	Board Member
Kathy Sandoval	Director

*Representing Axiom CPAs and Business
Advisors LLC:*

Chris Garner	Partner
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Albuquerque School of Excellence

Date of Exit Conference: November 25, 2015

*Representing Albuquerque School of
Excellence:*

Sean Fry	Business Manager
Salih Aykac	Principal
Prince Thomas	Audit Committee Member
Mehmet Su	Governing Council Member

Representing Loftis Group LLC:

Armando Sanchez	Principal
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Albuquerque Sign Language Academy

Date of Exit Conference: November 30, 2015

*Representing The Albuquerque Sign
Language Academy:*

Raphael Martinez	Executive Director
Ruby Chavez	Business Manager
Kimberly Silva	Board Chair

Representing Loftis Group LLC:

Armando Sanchez	Principal
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**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
EXIT CONFERENCE
June 30, 2015**

Aldo Leopold High School

Date of Exit Conference: November 23, 2015

Representing Aldo Leopold High School: Harry Browne Business Manager
Mattie Eagle, CPA Community Representative
David Peck Governing Council Member
Ken Stone Governing Council Chair

Representing Pattillo Brown and Hill: John Manning Partner

Alma D' Arte Charter High School

Date of Exit Conference: December 1, 2015

Representing Alma D' Arte Charter High School: Mark Hartshorne Principal
Casilda Provencio Governing Council Member
Bill Brogan Governing Council Member
Juliette Sanchez Business Manager

Representing Pattillo Brown and Hill: Paula Lowe Partner

Amy Biehl Charter High School

Date of Exit Conference: November 5, 2015

Representing Amy Biehl Charter High School: Cliff Wintrode Board Member
Leslie Andrews Board Member
Betty Seeley Director of Finance
Advancement Coordinator for
Foundation
Aldis Philipbar

Representing Pattillo Brown and Hill: David Baca Senior Auditor

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
EXIT CONFERENCE
June 30, 2015**

Anthony Charter School

Date of Exit Conference: December 1, 2015

Representing Anthony Charter School: Mike Vigil Business Manager
Dr. Abe Arnendariz Principal
Denise Marnalego Office Manager
Rudy Franco Board President

Representing Pattillo Brown and Hill: John Manning Partner

Ask Academy

Date of Exit Conference: November 24, 2015

Representing The Ask Academy: Michael Smith Board Chair
Daniel Barbour Assistant GM
Michael Vigil Business Manager
Justine Roybal Business Manager

*Representing Axiom CPAs and Business
Advisors LLC:* Monica Yapel Audit Manager

Cesar Chavez Community School

Date of Exit Conference: October 22, 2015

*Representing Cesar Chavez Community
School:* Rebekah Runyan Business Manager
Tani Arness Executive Director/Principal
Charleen Ayres Governing Council Member
Eric Onsurez Audit Committee Member

Representing Loftis Group LLC: Armando Sanchez Principal

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
EXIT CONFERENCE
June 30, 2015**

Cien Aguas International School

Date of Exit Conference: November 30, 2015

Representing Cien Aguas International School:

Michael Rodriguez	School Director
Ruby Chavez	Business Manager
Lisa Meyer	Governance Council

Representing Loftis Group LLC: Armando Sanchez Principal

Coral Community Charter

Date of Exit Conference: November 3, 2015

Representing Coral Community Charter:

Donna Eldredge	Head Administrator
Angie Lerner	Business Manager
Tania Triolo	Governance Council Chair
Michael Reeves	Governance Council Treasurer
Allyson Pierce	Governance Council
Melody Chavez	Governance Council

Representing Loftis Group LLC: Armando Sanchez Principal

Cottonwood Classical Preparatory School

Date of Exit Conference: November 24, 2015

Representing Cottonwood Classical Preparatory School:

Nick Williams	Governing Council Treasurer and Audit Committee Member
Michael Vigil	Business Manager

Representing Axiom CPAs and Business Advisors LLC: Monica Yapel Audit Manager

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
EXIT CONFERENCE
June 30, 2015**

Creative Education Preparatory Institute #1

Date of Exit Conference: November 23, 2015

*Representing Creative Education
Preparatory Institute:*

Pam Romero	Board Member
Christopher Hotchkiss	Chief Executive Officer
Suzy Sanchez	Business Manager

Representing Pattillo Brown and Hill:

John Gordon	Partner
David Baca	Senior Auditor

Dream Dinè Charter School

Date of Exit Conference: November 10, 2015

*Representing Dream Dinè Charter
School:*

Gavin Sosa	Director of Operations
Sandy Berry	Assistant Director of Operations
Talita Salinsky	President/Audit Committee
Clarence Hogue	Board Member/Audit Committee
Deanna Gomez	Business Manager

Representing Loftis Group LLC:

Armando Sanchez	Principal
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East Mountain High School

Date of Exit Conference: November 18, 2015

*Representing East Mountain High
School:*

Dennis Hodges	Board Chair
Kay Girdner	Business Manager
Lori Webster	Development Director/Foundation

Representing Pattillo Brown and Hill:

David Baca	Senior Auditor
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**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
EXIT CONFERENCE
June 30, 2015**

Estancia Valley Classical Academy

<i>Date of Exit Conference:</i>	November 19, 2015	
<i>Representing Estancia Valley Classical Academy:</i>	Harlan Lawson	Governing Council Member
	Tim Theiry	Executive Director
	Holly Massey	Business Manager
	William Allen Mackrain	Audit Committee Member
	Jayme Nykanen	Audit Committee Member
<i>Representing Loftis Group LLC:</i>	Armando Sanchez	Principal

Explore Academy

<i>Date of Exit Conference:</i>	November 20, 2015	
<i>Representing Explore Academy:</i>	Michael Vigil II	Lead Business Manager
	Kyle Hunt	Business Manager
	Justin Baiardo	Founder/Academic Director
	Vicky McCarthy	Principal
<i>Representing Axiom CPAs and Business Advisors LLC:</i>	Jim Cox	Audit Manager
	Rebekah Boron	Staff Accountant

Gilbert L. Sena Charter High School

<i>Date of Exit Conference:</i>	November 17, 2015	
<i>Representing Gilbert L. Sena Charter High School:</i>	Mary Louise Sena	Board Member
	Linda Bradley	Board Member
	George Lucero	Board Member
	Nadine Torres	Executive Director
	Mike Vigil II	Business Manager
	Ashley Rodriguez	Business Manager
<i>Representing Pattillo Brown and Hill:</i>	David Baca	Senior Auditor

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
EXIT CONFERENCE
June 30, 2015**

GREAT Academy

<i>Date of Exit Conference:</i>	November 19, 2015	
<i>Representing The Great Academy:</i>	Helen Brown Jasper Matthews Chenyu Liu	Board Member Executive Director Business Manager
<i>Representing Pattillo Brown and Hill:</i>	John Gordon	Partner

Health Leadership High School

<i>Date of Exit Conference:</i>	November 30, 2015	
<i>Representing Health Leadership High School:</i>	Blanca Lopez David Vigil Norma Valdez	Executive Director Business Manager Governance Council Treasurer
<i>Representing Loftis Group LLC:</i>	Armando Sanchez	Principal

Health Science Academy

<i>Date of Exit Conference:</i>	November 25, 2015	
<i>Representing Health Science Academy:</i>	Eileen Marrojos Gallegos Paul Agular	Director of Operations Deputy Secretary, Finance and Operations
<i>Representing Axiom CPAs and Business Advisors LLC:</i>	Chris Garner	Partner

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
EXIT CONFERENCE
June 30, 2015**

Horizon Academy West

<i>Date of Exit Conference:</i>	October 28, 2015	
<i>Representing Horizon Academy West:</i>	Carrie Rodriguez Ruth Hoover Shalon D'Elia Cynthia Carter Diana Cordova	Governing Council Member Audit Committee Member Office Manager Principal Business Manager
<i>Representing Loftis Group LLC:</i>	Armando Sanchez	Principal

International School at Mesa Del Sol

<i>Date of Exit Conference:</i>	November 12, 2015	
<i>Representing The International School at Mesa Del Sol:</i>	Sakia King Sean Joyce Elizabeth Romero Diana Hammond	Board Member Principal Business Manager Assistant Business Manager
<i>Representing Pattillo Brown and Hill:</i>	John Gordon	Partner

J. Paul Taylor Academy

<i>Date of Exit Conference:</i>	November 30, 2015	
<i>Representing J. Paul Taylor Academy:</i>	Vicki Chavez Aine Garcia-Post	Business Manager Principal
<i>Representing Pattillo Brown and Hill:</i>	John Manning	Partner

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
EXIT CONFERENCE
June 30, 2015**

La Academia Dolores Huerta

Date of Exit Conference: November 24, 2015

Representing La Academia Dolores Huerta:

Jennifer Allen	Board Treasurer
Diana Diaz	Assistant Principal
Juliette Sanchez	Business Manager

Representing Patillo Brown and Hill: David Baca Senior Auditor

La Jicarita Community School

Date of Exit Conference: November 24, 2015

Representing La Jicarita Community School:

Ciny Aresenault	School Director
Sarah Pina	Business Manager
Maisa Schoenhaum	Governance Council Member

Representing Loftis Group LLC: Armando Sanchez Principal

La Promesa Early Learning Center

Date of Exit Conference: November 23, 2015

Representing La Promesa Early Learning Center:

Irene Byars	Board Member
Dorinda Espinoza	Board Member
Dr. Analee Maestas	Executive Director
Rhonda Cordova	Business Manager

Representing Pattillo Brown and Hill: David Baca Senior Auditor

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
EXIT CONFERENCE
June 30, 2015**

La Resolana Leadership Academy

Date of Exit Conference: November 13, 2015

Representing La Resolana Leadership Academy:

Paula Farkas	Board Member
Junstina Montoya	Principal
Justine Roybal	Business Manager

Representing Pattillo Brown and Hill: David Baca Senior Auditor

La Tierra Montessori School of the Arts and Sciences

Date of Exit Conference: November 25, 2015

Representing La Tierra Montessori School of the Arts and Sciences:

Julie Ann Hill – Clapp	Board President
Edwin Fernandez	Community Member
John Sena	Parent Community
Suzanne Lynne	Administrator Contracted Finance Director/Business Management Consultant
Deanna Gomez	

Representing Axiom CPAs and Business Advisors LLC: Chris Garner Partner

MASTERS Program

Date of Exit Conference: November 18, 2015

Representing The MASTERS Program:

John Soggins	Board Member
Jakub Svec	Board Member
Anna Salzman	Head of School
Mary Mumford	Business Manager

Representing Pattillo Brown and Hill: John Gordon Partner

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
EXIT CONFERENCE
June 30, 2015**

McCurdy Charter School

<i>Date of Exit Conference:</i>	November 25, 2015	
<i>Representing McCurdy Charter School:</i>	Nancy O'Bryan Deborah Bennett – Anderson Janette Archuleta Deanna Gomez	Board Member Board President Director Contracted Finance Director/Business Management Consultant
<i>Representing Axiom CPAs and Business Advisors LLC:</i>	Chris Garner	Partner

Media Arts Collaborative Charter School

<i>Date of Exit Conference:</i>	November 20, 2015	
<i>Representing Media Arts Collaborative Charter School:</i>	John Dunphy Patti Gladstone Glenna Voight Patrick Kelly	Board President Audit Committee Member Principal Business Manager
<i>Representing Pattillo Brown and Hill:</i>	Paula Lowe	Partner

Mission Achievement and Success Charter School

<i>Date of Exit Conference:</i>	November 19, 2015	
<i>Representing Mission Achievement and Success Charter School:</i>	Bruce Langston JoAnn Myers Amber Peña	Board Member Principal Business Manager
<i>Representing Pattillo Brown and Hill:</i>	John Gordon	Partner

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
EXIT CONFERENCE
June 30, 2015**

Montessori Elementary School

Date of Exit Conference: November 12, 2015

*Representing The Montessori
Elementary School:*

Jeff Li	Board Member
Mary Jane Besante	Principal
Stan Albrycht	Business Manager/CFO

Representing Pattillo Brown and Hill: David Baca Senior Auditor

New America School

Date of Exit Conference: November 2, 2015

Representing New America School:

Craig Cook	Chief Business Officer
Lorella Lovato	Assistant Business Manager
LaTricia Mathis	Principal
Mike Vigil II	Business Manager
Juan Vigil	Governing Council Member

Representing Loftis Group LLC: Armando Sanchez Principal

New America School of Las Cruces

Date of Exit Conference: November 23, 2015

*Representing New America School of
Las Cruces:*

Margarita Porter	Principal
Veronica Gonzalez	Assistant Business Manager
John Munoz	Governing Council President
Mike Vigil II	Business Manager

Representing Pattillo Brown and Hill: Paula Lowe Partner

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
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June 30, 2015**

New Mexico Connections Academy

Date of Exit Conference: November 19, 2015

Representing New Mexico Connections Academy:

Carlo Lucero	Board Member
Jerry Schalow	Board Member
Michael J. Vigil	Business Manager
Justine Roybal	Business Manager

Representing Pattillo Brown and Hill:

David Baca	Senior Auditor
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New Mexico International School

Date of Exit Conference: November 30, 2015

Representing New Mexico International School:

Todd Nause	Head of School
Corinne Teller	Business Manager
Edward Reyes	Governance Council Chair

Representing Loftis Group LLC:

Armando Sanchez	Principal
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New Mexico School for the Arts

Date of Exit Conference: October 29, 2015

Representing New Mexico School for the Arts:

Cindy Montoya	Head of School
Jolene Jaramillo	Business Manager
Sherry Thompson	Governance Council Chair

Representing Loftis Group LLC:

Armando Sanchez	Principal
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**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
EXIT CONFERENCE
June 30, 2015**

North Valley Academy

Date of Exit Conference: November 19, 2015

Representing North Valley Academy: Scott Fitzgerald Board President
Ray Barton Board Member
Susan McConnell Principal
Sara Piña Business Manager

Representing Pattillo Brown and Hill: David Baca Senior Auditor

Ralph J. Bunch Academy

Date of Exit Conference: November 25, 2015

Representing Ralph J. Bunch Academy: Eileen Marrojos Gallegos Director of Operations
Deputy Secretary, Finance and
Operations
Paul Aguilar

*Representing Axiom CPAs and Business
Advisors LLC:* Chris Garner Partner

Red River Valley Charter School

Date of Exit Conference: November 20, 2015

*Representing Red River Valley Charter
School:* Katy Pierce Governing Council Treasurer
Karen Phillips Principal
Domingo Sanchez Business Manager

Representing Loftis Group LLC: Lonnie Juarez Principal

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
EXIT CONFERENCE
June 30, 2015**

Sage Montessori Charter School

<i>Date of Exit Conference:</i>	November 13, 2015	
<i>Representing Sage Montessori Charter School:</i>	Felix Garcia	Director/Head Administrator
	Michael Vigil	Business Manager
	Amber Pena	Business Manager
		Audit Committee
	Kenny Wang	Member/Governing Council
	Gerrit Kruidhof	Governing Council
	Margaret Cassidy Baca	Director
<i>Representing Loftis Group LLC:</i>	Armando Sanchez	Principal

School of Dreams Academy

<i>Date of Exit Conference:</i>	November 23, 2014	
<i>Representing School of Dreams Academy:</i>	Mike Ogas	Principal
	Kenneth Griego	Board Member
	Geri Bennett	Business Manager
<i>Representing Axiom CPAs and Business Advisors LLC:</i>	Chris Garner	Partner

South Valley Preparatory School

<i>Date of Exit Conference:</i>	November 23, 2015	
<i>Representing South Valley Preparatory School:</i>	Monica Ahuilar	Board Member
	Charlotte Trujillo	Principal
	Rhonda Cordova	Business Manager
<i>Representing Pattillo Brown and Hill:</i>	John Gordon	Partner

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
EXIT CONFERENCE
June 30, 2015**

Southwest Aeronautics, Mathematics, and Science Academy

Date of Exit Conference: November 30, 2015

*Representing Southwest Aeronautics,
Mathematics and Science Academy:*

Larry Kenny	Governance Council President
Rich Brody	Audit Committee Member
Coreen Carrillo	Principal
Ronda Joyce	Business Manager
Kirk Hartom	Head Administrator
Kyle Hunt	Business Manager
Michael Vigil	Business Manager

*Representing Axiom CPAs and Business
Advisors LLC:*

Chris Garner	Partner
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Southwest Intermediate Learning Center

Date of Exit Conference: November 30, 2015

*Representing Southwest Intermediate
Learning Center:*

Judy Chapman	Governance Council President
Rich Brody	Audit Committee Member
Kirk Hartom	Head Administrator
Sean Fry	Business Manager
Joseph Lucero	Business Manager
Michael Vigil	Business Manager

*Representing Axiom CPAs and Business
Advisors LLC:*

Chris Garner	Partner
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**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
EXIT CONFERENCE
June 30, 2015**

Southwest Primary Learning Center

Date of Exit Conference: November 30, 2015

Representing Southwest Primary Learning Center:

Ken Chapman	Governance Council President
Rich Brody	Audit Committee Member
Ronda Joyce	Business Manager
Kirk Hartom	Head Administrator
Sean Fry	Business Manager
Michael Vigil	Business Manager
Joseph Lucero	Business Manager

Representing Axiom CPA's and Business Advisors:

Chris Garner	Partner
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Southwest Secondary Learning Center

Date of Exit Conference: November 30, 2015

Representing Southwest Secondary Learning Center:

Vic Fantozzi	Governance Council President
Rich Brody	Audit Committee Member
Kirk Hartom	Head Administrator
Sean Fry	Business Manager
Michael Vigil	Business Manager
Joseph Lucero	Business Manager

Representing Axiom CPAs and Business Advisors LLC:

Chris Garner	Partner
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**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
EXIT CONFERENCE
June 30, 2015**

Taos Academy

Date of Exit Conference: November 13, 2015

Representing Taos Academy:

Tracis Filiss	Principal
Deanna Gomez	Business Manager
Bill McDonald	Governing Council/Audit Committee Member
Karen Shannon	Governing Council Member

Representing Loftis Group LLC: Armando Sanchez Principal

Taos Integrated School of the Arts

Date of Exit Conference: November 12, 2015

*Representing Taos Integrated School of
the Arts:*

Richard Greywold	Principal
Deanna Gomez	Business Manager
Matthew Sprigs	Audit Committee Member
Annette Bowden	Audit Committee Member
Chris Pieper	Governing Council Member

Representing Loftis Group LLC: Armando Sanchez Principal

Taos International Charter School

Date of Exit Conference: November 9, 2015

*Representing Taos International
Charter School:*

Nadine Vigil	School Principal
Justine Roybal	Business Manager
Michelle Adeyta	Office Manager
Marilyn Montoya	Vice President of Governing Council

Representing Loftis Group LLC: Armando Sanchez Principal

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
EXIT CONFERENCE
June 30, 2015**

The Learning Community Charter School

Date of Exit Conference: November 19, 2015

*Representing The Learning Community
Charter School:*

Edwin Fernandez Consultant

Representing Loftis Group LLC:

Armando Sanchez Principal

Tierra Adentro

Date of Exit Conference: November 10, 2015

Representing Tierra Adentro:

Veronica Torres Executive Director
Amber Pena Business Manager
Michael Vigil Business Manager
Sandy Martinez Audit Committee Member
Chris Pieper Governing Council Member

Representing Loftis Group LLC:

Armando Sanchez Principal

Uplift Community School:

Date of Exit Conference: November 24, 2015

Representing Uplift Community School:

Ann Doucette Board Chair
James Cammon Director
Sean D. Fry Business Manager

Representing Pattillo Brown and Hill:

David Baca Senior Auditor

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
EXIT CONFERENCE
June 30, 2015**

Walatowa High Charter School

Date of Exit Conference: November 6, 2015

Representing Walatowa High Charter School:

Arrow Wilkinson	Superintendent
Katherine Toya	Business Manager
Francine P. Garcia	Gear UP NM Coordinator
Richard Wasilewski	Governing Council Member

Representing Loftis Group LLC: Armando Sanchez Principal

William W. & Josephine Dorn Charter Community School

Date of Exit Conference: November 10, 2015

Representing William W. & Josephine Dorn Charter Community School:

Ellen Esquibel Bellamy	Director
Amber Pena	Business Manager
Preston Sanchez	Board Member

Representing Loftis Group: Armando Sanchez Principal

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
June 30, 2015

VOLUME III



AXIOM

*Certified Public Accountants
and Business Advisors LLC*

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**STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
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STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Academy of Trades & Technology
 Statement of Net Position
 June 30, 2015

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 318,187
Receivables	
Due from Other Governments	43,950
Deposits	1,500
Total Current Assets	<u>363,637</u>

Noncurrent Assets:

Capital Assets	
Building and Improvements	1,877,170
Vehicles	67,361
Furniture, Fixtures, and Equipment	353,720
Less: Accumulated Depreciation	(641,537)
Total Noncurrent Assets	<u>1,656,714</u>
Total Assets	<u>2,020,351</u>

Deferred Outflows - Pension Related	<u>112,179</u>
--	----------------

LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accounts Payable	113,846
Accrued Liabilities	32,012
Compensated Absences	16,744
Current Portion of Long-Term Debt	70,815
Total Current Liabilities	<u>233,417</u>

Noncurrent Liabilities:

Long-Term Debt	805,954
Net Pension Liability	1,465,223
Total Noncurrent Liabilities	<u>2,271,177</u>
Total Liabilities	<u>2,504,594</u>

Deferred Inflows - Pension Related	<u>364,200</u>
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NET POSITION

Net Investment in Capital Assets	779,945
Restricted	110,082
Unrestricted (Deficit)	(1,626,291)
Total Net Position	<u>\$ (736,264)</u>

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STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Academy of Trades & Technology
Statement of Activities
For The Year Ended June 30, 2015

Functions/Programs	Program Revenues				Net (Expenses) Revenues and Changes in Net Position
	Expenses	Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 579,031	-	85,375	-	(493,656)
Support Services:					
Students	155,613	-	-	-	(155,613)
General Administration	18,001	-	-	-	(18,001)
School Administration	236,303	-	-	-	(236,303)
Central Services	188,707	-	-	-	(188,707)
Operation & Maintenance of Plant	343,123	-	-	-	(343,123)
Community Services Operations	202,654	-	202,427	-	(227)
Other Support Services	49,194	-	-	-	(49,194)
Student Transportation	21,601	-	-	-	(21,601)
Food Services	28,259	-	31,588	-	3,329
Facilities Materials, Supplies & Other Services	7,571	-	-	99,893	92,322
Total Governmental Activities	\$ 1,830,057	-	319,390	99,893	(1,410,774)
General Revenues:					
Property Taxes					\$ 99,755
State Equalization Guarantee					1,426,715
Miscellaneous					42,001
Total General Revenues					<u>1,568,471</u>
Change in Net Position					157,697
Net Position- Beginning of Year					906,702
Restatement					(1,800,663)
Net Position, as Restated					<u>(893,961)</u>
Net position, Ending					<u>\$ (736,264)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Academy of Trades & Technology
Balance Sheets - Governmental Funds
June 30, 2015

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101	IDEA-B Entitlement 24106
ASSETS					
Cash and Cash Equivalents	\$ 131,390	13,392	6,740	-	-
Accounts Receivable					
Due from Government	-	-	-	11,277	4,808
Due from Other Funds	60,376	-	-	-	-
Deposits	1,500	-	-	-	-
Total Assets	\$ 193,266	13,392	6,740	11,277	4,808
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts Payable	\$ 33,680	-	-	-	-
Accrued Expenditures	26,870	-	-	3,834	974
Due to Other Funds	-	-	-	7,443	3,834
Total Liabilities	60,550	-	-	11,277	4,808
Fund Balances (Deficit)					
Fund Balance:					
Restricted for:					
Instruction	-	13,392	-	-	-
Food Service Operations	-	-	6,740	-	-
Capital Improvements	-	-	-	-	-
Unassigned (Deficit)	132,716	-	-	-	-
Total Fund Balance (Deficit)	132,716	13,392	6,740	-	-
Total Liabilities and Fund Balances (Deficit)	\$ 193,266	13,392	6,740	11,277	4,808

IDEA-B Risk Pool 24120	Teacher Principal Training 24154	Title I School Improvement 24162	2012 SB-66 Student Library 27107	Youth Conservation Corp 28133	Grads Instruction 28190	Public School Capital Outlay 31200
-	-	-	-	-	334	-
31	2,482	-	-	21,022	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>31</u>	<u>2,482</u>	<u>-</u>	<u>-</u>	<u>21,022</u>	<u>334</u>	<u>-</u>
-	-	-	-	-	-	-
-	-	-	-	-	334	-
31	2,482	-	-	21,041	-	-
<u>31</u>	<u>2,482</u>	<u>-</u>	<u>-</u>	<u>21,041</u>	<u>334</u>	<u>-</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	(19)	-	-
-	-	-	-	(19)	-	-
<u>31</u>	<u>2,482</u>	<u>-</u>	<u>-</u>	<u>21,022</u>	<u>334</u>	<u>-</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Academy of Trades & Technology
Balance Sheets - Governmental Funds (Continued)
June 30, 2015

	HB-33 Capital Improvements 31600	SB-9 Capital Improvements 31700	(Unaudited) Foundation	Total
ASSETS				
Cash and Cash Equivalents	\$ 166,331	-	-	318,187
Accounts Receivable				
Due from Government	1,188	3,142	-	43,950
Due from Other Funds	-	-	-	60,376
Deposits	-	-	-	1,500
Total Assets	\$ 167,519	3,142	-	424,013
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 80,166	-	-	113,846
Accrued Expenditures	-	-	-	32,012
Due to Other Funds	-	545	25,000	60,376
Total Liabilities	80,166	545	25,000	206,234
Fund Balances (Deficit)				
Fund Balance:				
Restricted for:				
Instruction	-	-	-	13,392
Food Service Operations	-	-	-	6,740
Capital Improvements	87,353	2,597	-	89,950
Unassigned (Deficit)	-	-	(25,000)	107,697
Total Fund Balance (Deficit)	87,353	2,597	(25,000)	217,779
Total Liabilities and Fund Balances (Deficit)	\$ 167,519	3,142	-	424,013

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Academy of Trades & Technology
 Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
 June 30, 2015

Fund Balance - Total Governmental Funds **\$ 217,779**

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

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

Capital Assets	2,298,251	
Accumulated Depreciation	(641,537)	
		1,656,714

Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds.

112,179

Long-term liabilities are not due in the current period and, therefore, are not reported in the funds.

Long-Term Debt	(876,769)	
Changes in Net Pension Liability	(1,465,223)	
Compensated Absences	(16,744)	
		(2,358,736)

Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds.

(364,200)

Net Position-Total Governmental Activities **\$ (736,264)**

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Academy of Trades & Technology
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit)
Governmental Funds
For The Year Ended June 30, 2015

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101	IDEA-B Entitlement 24106
REVENUES					
Property Taxes	\$ -	-	-	-	-
Local & County Grant	1,294	-	-	-	-
State Grant	1,426,715	8,111	-	-	-
Federal Grant	-	-	31,588	41,559	27,834
Miscellaneous Income	-	-	-	-	-
Total Revenues	<u>1,428,009</u>	<u>8,111</u>	<u>31,588</u>	<u>41,559</u>	<u>27,834</u>
EXPENDITURES					
Current:					
Instruction	541,365	5,093	-	41,334	27,834
Support Services:					
Students	153,351	-	-	-	-
General Administration	27,165	-	-	-	-
School Administration	256,360	-	-	-	-
Central Services	188,707	-	-	-	-
Operation & Maintenance of Plant	271,443	-	-	-	-
Student Transportation	12,747	-	-	-	-
Other Support Services Operations	-	-	-	-	-
Food Services Operations	-	-	28,259	-	-
Community Services Operation	-	-	-	225	-
Capital Outlay	-	-	-	-	-
Total Expenditures	<u>1,451,138</u>	<u>5,093</u>	<u>28,259</u>	<u>41,559</u>	<u>27,834</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(23,129)</u>	<u>3,018</u>	<u>3,329</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>(23,129)</u>	<u>3,018</u>	<u>3,329</u>	<u>-</u>	<u>-</u>
Fund Balances(Deficit) - Beginning of Year	<u>155,845</u>	<u>10,374</u>	<u>3,411</u>	<u>-</u>	<u>-</u>
Fund Balances (Deficit) - End of Year	<u>\$ 132,716</u>	<u>13,392</u>	<u>6,740</u>	<u>-</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements

IDEA-B Risk Pool 24120	Teacher Principal Training 24154	Title I School Improvement 24162	2012 SB-66 Student Library 27107	Youth Conservation Corp 28133	Grads Instruction 28190	Public School Capital Outlay 31200
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	64	202,427	4,000	99,893
31	2,482	-	-	-	-	-
-	-	-	-	-	-	-
<u>31</u>	<u>2,482</u>	<u>-</u>	<u>64</u>	<u>202,427</u>	<u>4,000</u>	<u>99,893</u>
31	2,482	10,608	-	-	-	-
-	-	-	-	-	4,000	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	202,429	-	-
-	-	-	-	-	-	99,893
<u>31</u>	<u>2,482</u>	<u>10,608</u>	<u>-</u>	<u>202,429</u>	<u>4,000</u>	<u>99,893</u>
-	-	(10,608)	64	(2)	-	-
-	-	(10,608)	64	(2)	-	-
-	-	10,608	(64)	(17)	-	-
-	-	-	-	(19)	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Academy of Trades & Technology
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit) - Continued
Governmental Funds
For The Year Ended June 30, 2015

	HB-33 Capital Improvements 31600	SB-9 Capital Improvements 31700	(Unaudited) Foundation	Total
REVENUES				
Property Taxes	\$ 64,694	35,061	-	99,755
Local & County Grant	-	-	-	1,294
State Grant	-	-	-	1,741,210
Federal Grant	-	-	-	103,494
Miscellaneous Income	-	-	42,001	42,001
Total Revenues	<u>64,694</u>	<u>35,061</u>	<u>42,001</u>	<u>1,987,754</u>
EXPENDITURES				
Current:				
Instruction	-	-	-	628,747
Support Services:				
Students	-	-	-	157,351
General Administration	-	-	-	27,165
School Administration	-	-	-	256,360
Central Services	-	-	-	188,707
Operation & Maintenance of Plant	-	-	-	271,443
Student Transportation	-	-	-	12,747
Other Support Services Operations	-	-	49,194	49,194
Food Services Operations	-	-	-	28,259
Community Services Operation	-	-	-	202,654
Capital Outlay	21,788	32,328	-	154,009
Total Expenditures	<u>21,788</u>	<u>32,328</u>	<u>49,194</u>	<u>1,976,636</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>42,906</u>	<u>2,733</u>	<u>(7,193)</u>	<u>11,118</u>
Net Changes in Fund Balances	<u>42,906</u>	<u>2,733</u>	<u>(7,193)</u>	<u>11,118</u>
Fund Balances(Deficit) - Beginning of Year	<u>44,447</u>	<u>(136)</u>	<u>(17,807)</u>	<u>206,661</u>
Fund Balances (Deficit) - End of Year	<u>\$ 87,353</u>	<u>2,597</u>	<u>(25,000)</u>	<u>217,779</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Academy of Trades & Technology
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances (Deficit) of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2015

Net Change in Fund Balance-Total Governmental Funds **\$ 11,118**

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

Change in Compensated Absences (2,744)

Capital outlays to purchase or build capital assets are reported in
 governmental funds as expenditures. However, for governmental activities
 those costs are shown in the Statement of Net Position and allocated over
 their estimated useful lives as annual depreciation expenses in the
 Statement of Activities. This is the amount by which capital outlay exceeds
 depreciation for the period

Capital Outlays	38,531	
Depreciation Expense	(80,534)	
	(42,003)	(42,003)

The issuance of long-term debt (e.g., bonds, notes, leases) provide current
 financial resources to governmental funds, while the repayment of the
 principal of long-term debt consumes the current financial resources of
 governmental funds. Neither transaction, however, has any effect on net
 position.

Changes in Net Pension Liability	83,419	
Payment of Notes Payable	107,907	
	191,326	191,326

Change in Net Position-Total Governmental Activities **\$ 157,697**

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Academy of Trades & Technology
 Statement of Fiduciary Assets and Liabilities- Agency Funds
 June 30, 2015

	<u>Agency</u>
ASSETS	
Cash in Bank	\$ 7,450
Total Assets	<u>\$ 7,450</u>
LIABILITIES	
Deposits Held for Others	\$ 7,450
Total Liabilities	<u>\$ 7,450</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Academy of Trades & Technology
 Schedule of Changes in Assets and Liabilities - Agency Funds
 For The Year Ended June 30, 2015

	<u>Balance</u> <u>July 1, 2014</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2015</u>
ASSETS				
Cash in Bank	\$ 7,775	1,754	2,079	7,450
Total Assets	<u>\$ 7,775</u>	<u>1,754</u>	<u>2,079</u>	<u>7,450</u>
 LIABILITIES				
Deposits Held for Others	\$ 7,775	1,754	2,079	7,450
Total Liabilities	<u>\$ 7,775</u>	<u>1,754</u>	<u>2,079</u>	<u>7,450</u>

The accompanying notes are an integral part of these financial statements

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Capital Assets. Capital assets purchased or acquired are 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 Academy of Trades & Technology's capitalization policy (i.e., the dollar value above which the asset acquisitions are added to the capital accounts) is \$5,000. The Academy of Trades & Technology does not capitalize any interest with regard to its capital assets.

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

Furniture, Fixtures and Equipment	5 years
Buildings and Improvements	40 years

Capital assets for the Academy of Trades & Technology are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB's Fiduciary Net Position have been determined on the economic resources measurement focus and accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 2. CAPITAL ASSETS

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Academy of Trades & Technology
Notes to the Financial Statements
June 30, 2015

NOTE 2. CAPITAL ASSETS (CONTINUED)

	<u>Balance</u> <u>June 30, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2015</u>
<i>Capital Assets being Depreciated:</i>				
Furniture, Fixtures and Equipment	\$ 315,189	38,531	-	353,720
Vehicles	67,361	-	-	67,361
Building and Improvements	1,877,170	-	-	1,877,170
<i>Total</i>	<u>2,259,720</u>	<u>38,531</u>	<u>-</u>	<u>2,298,251</u>
<i>Less: Accumulated Depreciation</i>				
Furniture, fixtures and equipment	(302,756)	(12,907)	-	(315,663)
Vehicles	(58,507)	(8,854)	-	(67,361)
Building and improvements	(199,740)	(58,773)	-	(258,513)
<i>Total</i>	<u>(561,003)</u>	<u>(80,534)</u>	<u>-</u>	<u>(641,537)</u>
Capital Assets, Net	<u>\$ 1,698,717</u>	<u>(42,003)</u>	<u>-</u>	<u>1,656,714</u>

Depreciation expensed for the year ended June 30, 2015 was expensed to the following functions:

Student Transportation	\$ 8,854
Operations/Plant Maintenance	71,680
Total	<u>\$ 80,534</u>

NOTE 3. COMMITMENTS AND LIABILITIES

The Academy of Trades & Technology leased equipment and facilities under long-term cancelable operating leases. Rental expense for the year ended June 30, 2015 was \$206,881. The Academy of Trades & Technology's minimum future payments on this lease are as follows:

Year Ending June 30:	
2016	\$ 204,560
2017	204,560
2018	204,560
2019	204,560
2020	204,560
2021- 2025	201,331
Total	<u>\$ 1,224,131</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Academy of Trades & Technology
Notes to the Financial Statements
June 30, 2015

NOTE 3. COMMITMENTS AND LIABILITIES (CONTINUED)

In December 2011, the Academy of Trades and Technology Foundation (ATT Foundation) entered into a lease to purchase agreement with the school for the purchase of all of the buildings and the property. As a result of the agreement, the ATT Foundation recorded a note receivable for \$1,670,000. At June 30, 2015 the balance on the note receivable was \$1,059,123 including interest at 8%. The note receivable was to be paid to the ATT Foundation over a ten-year period. As of June 30, 2015, the capital lease obligation was \$1,059,123. The note receivable and capital lease obligation have been eliminated due to the consolidation of the blended component unit.

The following is an analysis of the leased property under capital leases by major classes included in summary of capital assets

<u>Classes of Property</u>	<u>Asset Balance</u>
Building	\$ 1,877,170
Less: Accumulated depreciation	<u>(258,513)</u>
	<u>\$ 1,618,657</u>

The total outstanding long term debt as of June 30, 2015 is as follows:

Mortgage payable to bank secured by building and land; interest at bank's rate 7% due in monthly installments of \$10,851; maturing June 4, 2026	\$ 876,769
Less: current maturities	<u>(70,815)</u>
	<u>\$ 805,954</u>

The aggregate amounts of principal maturities of mortgage payable are as follows:

2016	\$ 70,815
2017	75,933
2018	81,423
2019	87,309
2020	93,621
2021-2025	456,817
2026-2029	<u>10,851</u>
Total	<u>\$ 876,769</u>

NOTE 3. COMMITMENTS AND LIABILITIES (CONTINUED)

The Academy of Trades & Technology had a compensated absences balance of \$14,000 at the beginning of the fiscal year. Additions to the balance were \$2,744 which resulted in an ending balance of \$16,744. All of this balance is considered to be current.

NOTE 4. DEFICIT FUND BALANCE

The following fund had a deficit fund balance at June 30, 2015:

Youth Conservation Corp - 28133	\$	19
---------------------------------	----	----

The Academy of Trades & Technology is addressing the negative fund balance and is planning on taking the appropriate actions to eliminate the negative balance.

NOTE 5. RELATED PARTY TRANSACTIONS

The Academy of Trades & Technology created a Foundation in 2010 to purchase the building the school resides in. The Foundation is considered a component unit of the Academy of Trades & Technology and is presented as a blended component unit. Academy Trades and Technology is currently in dispute with the Foundation over the building lease, the dispute will likely involve some legal action by the school.

For the year ended June 30, 2015 it was noted that the Academy of Trades and Technology Foundation paid \$7,063 in accounting fees to the company owned by the President and only board member of the Academy of Trades and Technology Foundation.

NOTE 6. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to the Academy of Trades & Technology and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

NOTE 6. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Contributions. The contribution requirements of defined benefit plan members and Academy of Trades & Technology are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year ended June 30, 2014 employers contributed 13.15% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.10% of their gross annual salary. For fiscal year ended June 30, 2015 employers contributed 13.90%, and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 contributed an increased amount of 10.70% of their gross annual salary. Contributions to the pension plan from Academy of Trades & Technology were \$112,179 for the year ended June 30, 2015.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2013. The total ERB pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2014, using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date June 30, 2014. At June 30, 2015, Academy of Trades & Technology reported a liability of \$1,465,223 for its proportionate share of the net pension liability. Academy of Trades & Technology's proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2014. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2014, Academy of Trades & Technology's proportion was .02568% percent, which was an decrease of (0.00449%) from its proportion measured as of June 30, 2013.

For the year ended June 30, 2015, Academy of Trades & Technology recognized pension expense of \$28,760. At the June 30, 2015, Academy of Trades & Technology reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Academy of Trades & Technology
Notes to the Financial Statements
June 30, 2015

NOTE 6. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	21,823
Changes in assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	133,175
Changes in proportion and differences between Academy of Trades & Technology contributions and proportionate share of contributions	-	209,202
Academy of Trades & Technology contributions subsequent to the measurement date	<u>112,179</u>	<u>-</u>
Total	<u>\$ 112,179</u>	<u>364,200</u>

\$112,179 reported as deferred outflows of resources related to pensions resulting from Academy of Trades & Technology contributions subsequent to the measurement date June 30, 2014 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2016	\$ 113,516
2017	113,516
2018	103,890
2019	<u>33,278</u>
Total	<u>\$ 364,200</u>

NOTE 6. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

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

	<u>1% Decrease (6.75%)</u>	<u>Current Discount Rate (7.75%)</u>	<u>1% Increase (8.75%)</u>
Academy of Trades & Technology's proportionate share of the net pension liability	<u>\$ 1,993,607</u>	<u>1,465,223</u>	<u>1,023,722</u>

NOTE 7. RESTATEMENT

As a result of implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, net position at June 30, 2014 was restated in the amount of \$(1,800,663).

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Academy of Trades & Technology
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2015**

**New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)**

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.03%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 1,465	-	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 708	-	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	207.03%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30, 2014

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STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Academy of Trades & Technology
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2015

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 93	-	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	93	-	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ -	-	-	-	-	-	-	-	-	-

Year	Total Amount Deferred	Amortization Years	Increase (Decrease) in Pension Expense over Recognition Periods											
			2015	2016	2017	2018	2019	2020	2021	2022	2023	2024		
2014	\$ 364	5	\$ 114	114	104	104	32	-	-	-	-	-	-	-
2015	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2016	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2017	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2018	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2019	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2020	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2021	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2022	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2023	-	5	-	-	-	-	-	-	-	-	-	-	-	-
	\$ 364		\$ 114	114	104	104	32	-	-	-	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Academy of Trades & Technology
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 1,425,108	1,425,820	1,426,715	895
Total Revenues	<u>1,425,108</u>	<u>1,425,820</u>	<u>1,426,715</u>	<u>895</u>
EXPENDITURES				
Current:				
Instruction	579,546	579,546	538,773	40,773
Support Services:				
Students	157,837	158,731	154,616	4,115
General Administration	44,000	36,200	25,565	10,635
School Administration	240,506	267,062	256,943	10,119
Central Services	189,274	192,590	188,707	3,883
Operation & Maintenance of Plant	318,698	290,800	271,778	19,022
Student Transportation	8,393	14,037	12,866	1,171
Total Expenditures	<u>1,538,254</u>	<u>1,538,966</u>	<u>1,449,248</u>	<u>89,718</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(113,146)</u>	<u>(113,146)</u>	<u>(22,533)</u>	<u>90,613</u>
Net Changes in Fund Balances	<u>(113,146)</u>	<u>(113,146)</u>	<u>(22,533)</u>	<u>90,613</u>
Cash or Fund Balances - Beginning of Year	<u>155,845</u>	<u>155,845</u>	<u>155,845</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ 42,699</u>	<u>42,699</u>	<u>133,312</u>	<u>90,613</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (22,533)	
Adjustments to Revenues			1,294	
Adjustments to Expenditures			(1,890)	
NET CHANGE IN FUND BALANCE			<u>\$ (23,129)</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Academy of Trades & Technology
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 5,837	8,111	8,111	-
Total Revenues	<u>5,837</u>	<u>8,111</u>	<u>8,111</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	15,822	18,096	6,925	11,171
Total Expenditures	<u>15,822</u>	<u>18,096</u>	<u>6,925</u>	<u>11,171</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(9,985)</u>	<u>(9,985)</u>	<u>1,186</u>	<u>11,171</u>
Net Changes in Fund Balances	<u>(9,985)</u>	<u>(9,985)</u>	<u>1,186</u>	<u>11,171</u>
Cash or Fund Balances - Beginning of Year	<u>12,206</u>	<u>12,206</u>	<u>12,206</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ 2,221</u>	<u>2,221</u>	<u>13,392</u>	<u>11,171</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 1,186	
Adjustments to Expenditures			<u>1,832</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 3,018</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Academy of Trades & Technology
Schedule of Budgetary Comparisons - Budgetary Basis
Food Services 21000
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 32,500	32,500	31,588	(912)
Total Revenues	<u>32,500</u>	<u>32,500</u>	<u>31,588</u>	<u>(912)</u>
EXPENDITURES				
Current:				
Food Services Operations	32,500	32,500	28,259	4,241
Total Expenditures	<u>32,500</u>	<u>32,500</u>	<u>28,259</u>	<u>4,241</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	3,329	3,329
Net Changes in Fund Balances	-	-	3,329	3,329
Cash or Fund Balances - Beginning of Year	3,411	3,411	3,411	-
Cash or Fund Balances - End of Year	<u>\$ 3,411</u>	<u>3,411</u>	<u>6,740</u>	<u>3,329</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 3,329	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 3,329</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Academy of Trades & Technology
Schedule of Budgetary Comparisons - Budgetary Basis
Title I IASA 24101
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 29,345	59,231	38,365	(20,866)
Total Revenues	<u>29,345</u>	<u>59,231</u>	<u>38,365</u>	<u>(20,866)</u>
EXPENDITURES				
Current:				
Instruction	29,050	58,936	41,334	17,602
Total Expenditures	<u>29,050</u>	<u>58,936</u>	<u>41,334</u>	<u>17,602</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>295</u>	<u>295</u>	<u>(2,969)</u>	<u>(3,264)</u>
Net Changes in Fund Balances	<u>295</u>	<u>295</u>	<u>(2,969)</u>	<u>(3,264)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ 295</u>	<u>295</u>	<u>(2,969)</u>	<u>(3,264)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (2,969)	
Adjustments to Revenues			<u>2,969</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Academy of Trades & Technology
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Entitlement 24106
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 25,033	27,834	32,314	4,480
Total Revenues	<u>25,033</u>	<u>27,834</u>	<u>32,314</u>	<u>4,480</u>
EXPENDITURES				
Current:				
Instruction	25,033	27,834	27,834	-
Total Expenditures	<u>25,033</u>	<u>27,834</u>	<u>27,834</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	4,480	4,480
Net Changes in Fund Balances	-	-	4,480	4,480
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>4,480</u>	<u>4,480</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 4,480	
Adjustments to Revenues			(4,480)	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Academy of Trades & Technology
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Risk Pool 24120
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ -	31	186	155
Total Revenues	<u>-</u>	<u>31</u>	<u>186</u>	<u>155</u>
EXPENDITURES				
Current:				
Instruction	-	31	31	-
Total Expenditures	<u>-</u>	<u>31</u>	<u>31</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>155</u>	<u>155</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>155</u>	<u>155</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>155</u>	<u>155</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 155	
Adjustments to Revenues			<u>(155)</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Academy of Trades & Technology
Schedule of Budgetary Comparisons - Budgetary Basis
Teacher Principal Training 24154
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ -	11,786	962	(10,824)
Total Revenues	<u>-</u>	<u>11,786</u>	<u>962</u>	<u>(10,824)</u>
EXPENDITURES				
Current:				
Instruction	-	11,786	2,482	9,304
Total expenditures	<u>-</u>	<u>11,786</u>	<u>2,482</u>	<u>9,304</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(1,520)</u>	<u>(1,520)</u>
Net changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(1,520)</u>	<u>(1,520)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(1,520)</u>	<u>(1,520)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (1,520)	
Adjustments to Revenues			<u>1,520</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Academy of Trades & Technology
 Schedule of Budgetary Comparisons - Budgetary Basis
 Title I School Improvement 24162
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ -	-	23,533	23,533
Total Revenues	<u>-</u>	<u>-</u>	<u>23,533</u>	<u>23,533</u>
EXPENDITURES				
Current:				
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>23,533</u>	<u>23,533</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>23,533</u>	<u>23,533</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>23,533</u>	<u>23,533</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 23,533	
Adjustments to revenues			(23,533)	
Adjustments to expenditures			<u>(10,608)</u>	
NET CHANGE IN FUND BALANCE			<u>\$ (10,608)</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Academy of Trades & Technology
 Schedule of Budgetary Comparisons - Budgetary Basis
 2012 SB-66 Student Library 27107
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	-	3,063	3,063
Total Revenues	<u>-</u>	<u>-</u>	<u>3,063</u>	<u>3,063</u>
EXPENDITURES				
Current:				
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>3,063</u>	<u>3,063</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>3,063</u>	<u>3,063</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>3,063</u>	<u>3,063</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 3,063	
Adjustments to Revenues			<u>(2,999)</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 64</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Academy of Trades & Technology
 Schedule of Budgetary Comparisons - Budgetary Basis
 Youth Conservation Corp 28133
 For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 141,014	286,989	240,303	(46,686)
Total Revenues	<u>141,014</u>	<u>286,989</u>	<u>240,303</u>	<u>(46,686)</u>
EXPENDITURES				
Current:				
Community Services Operation	141,014	286,989	202,429	84,560
Total Expenditures	<u>141,014</u>	<u>286,989</u>	<u>202,429</u>	<u>84,560</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	37,874	37,874
Net Changes in Fund Balances	-	-	37,874	37,874
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>37,874</u>	<u>37,874</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 37,874	
Adjustments to Revenues			<u>(37,876)</u>	
NET CHANGE IN FUND BALANCE			<u>\$ (2)</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Academy of Trades & Technology
Schedule of Budgetary Comparisons - Budgetary Basis
Grads Instruction 28190
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	4,000	4,000	-
Total Revenues	<u>-</u>	<u>4,000</u>	<u>4,000</u>	<u>-</u>
EXPENDITURES				
Current:				
Support Services:				
Students	-	4,000	4,000	-
Total Expenditures	<u>-</u>	<u>4,000</u>	<u>4,000</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Academy of Trades & Technology
Schedule of Budgetary Comparisons - Budgetary Basis
Public School Capital Outlay 31200
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	99,893	108,587	8,694
Total Revenues	<u>-</u>	<u>99,893</u>	<u>108,587</u>	<u>8,694</u>
EXPENDITURES				
Current:				
Capital Outlay	-	99,893	99,893	-
Total Expenditures	<u>-</u>	<u>99,893</u>	<u>99,893</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>8,694</u>	<u>8,694</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>8,694</u>	<u>8,694</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>8,694</u>	<u>8,694</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 8,694	
Adjustments to Revenues			<u>(8,694)</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Academy of Trades & Technology
Schedule of Budgetary Comparisons - Budgetary Basis
HB-33 Capital Improvements 31600
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Property Taxes	\$ 64,863	64,863	64,948	85
Total Revenues	<u>64,863</u>	<u>64,863</u>	<u>64,948</u>	<u>85</u>
EXPENDITURES				
Current:				
Support Services:				
General Administration	649	649	-	649
Capital Outlay	180,519	180,519	21,788	158,731
Total Expenditures	<u>181,168</u>	<u>181,168</u>	<u>21,788</u>	<u>159,380</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(116,305)</u>	<u>(116,305)</u>	<u>43,160</u>	<u>159,465</u>
Net Changes in Fund Balances	<u>(116,305)</u>	<u>(116,305)</u>	<u>43,160</u>	<u>159,465</u>
Cash or Fund Balances - Beginning of Year	<u>123,171</u>	<u>123,171</u>	<u>123,171</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ 6,866</u>	<u>6,866</u>	<u>166,331</u>	<u>159,465</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 43,160	
Adjustments to Revenues			<u>(254)</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 42,906</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Academy of Trades & Technology
 Schedule of Budgetary Comparisons - Budgetary Basis
 SB-9 Capital Improvements 31700
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Property Taxes	\$ 32,466	35,115	33,940	(1,175)
Total Revenues	<u>32,466</u>	<u>35,115</u>	<u>33,940</u>	<u>(1,175)</u>
EXPENDITURES				
Capital Outlay	32,466	35,115	32,328	2,787
Total Expenditures	<u>32,466</u>	<u>35,115</u>	<u>32,328</u>	<u>2,787</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	1,612	1,612
Net Changes in Fund Balances	-	-	1,612	1,612
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>1,612</u>	<u>1,612</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 1,612	
Adjustments to Revenues			<u>1,121</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 2,733</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Academy of Trades & Technology
Schedule of Collateral Pledged by Depository for Public Funds
June 30, 2015

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2015</u>
Wells Fargo Bank	FNMA	3138W6RL2	6/1/1943	\$ 12,830
Wells Fargo Bank	FNMA	3138WTRVO	6/1/1943	9,950
Wells Fargo Bank	FNMA	3138XOA24	7/1/1943	71,541
				<u>\$ 94,321</u>

Total Cash per Schedule of Cash Accounts:	\$	359,199
Less: FDIC coverage:		<u>(250,000)</u>
Uninsured Public Funds:		109,199
Collateral Requirement:		54,600
Pledged Collateral Held by Pledging Financial Institution:		<u>94,321</u>
Balance Over Collateralized:	\$	<u>39,721</u>
Balance Uninsured and Uncollateralized at June 30, 2015:	\$	<u>14,878</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Academy of Trades & Technology
 Schedule of Cash Accounts
 June 30, 2015

Bank Account Type	Wells Fargo
Checking - Operational Account	\$ 359,199
Total on Deposit	359,199
Reconciling Items	<u>(33,562)</u>
Reconciled Balance June 30, 2015	<u>325,637</u>
Less Agency Funds	<u>(7,450)</u>
Total Cash	<u><u>\$ 318,187</u></u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Academy of Trades & Technology
Cash Reconciliation
June 30, 2015

	<u>Operational</u> <u>11000</u>	<u>Instructional</u> <u>Materials</u> <u>14000</u>	<u>Food</u> <u>Services</u> <u>21000</u>	<u>Non-Instruct.</u> <u>Fund</u> <u>23000</u>
Cash, June 30, 2014	\$ 160,534	12,206	3,410	7,774
Add:				
2014-15 revenues	<u>1,428,009</u>	<u>8,111</u>	<u>31,588</u>	<u>1,754</u>
Total Cash Available	1,588,543	20,317	34,998	9,528
Less:				
2014-15 expenditures	(1,449,266)	(6,925)	(28,258)	(2,078)
Receivables/Payables	27,471	-	-	-
Outstanding Loans	<u>(35,023)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash June 30, 2015	<u>131,725</u>	<u>13,392</u>	<u>6,740</u>	<u>7,450</u>
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	<u>(335)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash Per Books	<u>131,390</u>	<u>13,392</u>	<u>6,740</u>	<u>7,450</u>
Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	<u>1,326</u>	<u>-</u>	<u>-</u>	<u>(7,450)</u>
Fund Balance (Deficit), Modified Accrual Basis	<u>\$ 132,716</u>	<u>13,392</u>	<u>6,740</u>	<u>-</u>

Federal Projects Account 24000	State Account 27000	State Direct Account 28000	Public School Capital Outlay 31200	HB-33 Capital Improvements 31600	SB-9 Capital Improvements 31700	Total
(42,051)	(3,063)	(58,916)	(8,694)	43,006	(2,157)	112,049
95,360	3,063	244,303	108,587	64,948	33,940	2,019,663
53,309	-	185,387	99,893	107,954	31,783	2,131,712
(71,907)	-	(206,409)	(99,893)	(21,789)	(32,328)	(1,918,853)
4,808	-	334	-	80,166	-	112,779
13,790	-	20,688	-	-	545	-
-	-	-	-	166,331	-	325,638
-	-	334	-	-	-	(1)
-	-	334	-	166,331	-	325,637
Less: Activity Funds Per Schedule of Changes in Assets and Liabilities- Agency Fund:						(7,450)
						<u>\$ 318,187</u>
-	-	(353)	-	(78,978)	2,597	(82,858)
-	-	(19)	-	87,353	2,597	242,779
Add: Foundation:						(25,000)
Balance Sheets - Governmental Funds:						<u>\$ 217,779</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
ACE Leadership High School
Statement of Net Position
June 30, 2015

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 990,985
Receivables	
Due from Other Governments	111,813
Total Current Assets	<u>1,102,798</u>

Noncurrent Assets:

Capital Assets	
Land	1,196,050
Building and Improvements	2,726,142
Furniture, Fixtures, and Equipment	45,804
Less: Accumulated Depreciation	(54,245)
Total Noncurrent Assets	<u>3,913,751</u>
Total Assets	<u>5,016,549</u>

Deferred Outflows - Pension Related	<u>457,979</u>
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LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accounts Payable	53,084
Accrued Liabilities	82,071
Accrued Interest Payable	1,000
Current Portion of Long-Term Debt	233,040
Total Current Liabilities	<u>369,195</u>

Noncurrent Liabilities:

Long-Term Debt	4,032,015
Net Pension Liability	3,381,207
Total Noncurrent Liabilities	<u>7,413,222</u>
Total Liabilities	<u>7,782,417</u>

Deferred Inflows - Pension Related	<u>357,710</u>
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NET POSITION

Net Investment in Capital Assets	(352,304)
Restricted	772,604
Unrestricted (Deficit)	(3,085,899)
Total Net Position	<u>\$ (2,665,599)</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
ACE Leadership High School
Statement of Activities
For The Year Ended June 30, 2015

Functions/Programs	Program Revenues				Net (Expenses) Revenues and Changes in Net Position
	Expenses	Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 1,373,609	2,101	396,678	-	(974,830)
Support Services:					
Students	537,777	-	-	-	(537,777)
Instruction	107,191	-	-	-	(107,191)
General Administration	789,216	-	-	-	(789,216)
School Administration	261,538	-	-	-	(261,538)
Central Services	256,472	-	-	-	(256,472)
Operation & Maintenance of Plant	139,414	-	-	-	(139,414)
Community Services Operations	17,012	-	-	-	(17,012)
Other Support Services	21,921	-	-	-	(21,921)
Food Services	90,564	-	91,427	-	863
Facilities Materials, Supplies & Other Services	1,572,676	-	-	244,923	(1,327,753)
Total Governmental Activities	\$ 5,167,390	2,101	488,105	244,923	(4,432,261)
General Revenues:					
Property Taxes				\$	91,989
State Equalization Guarantee					3,060,897
Miscellaneous					264,688
Total General Revenues					<u>3,417,574</u>
Change in Net Position					<u>(1,014,687)</u>
Net Position, Beginning of Year					1,591,576
Restatement					<u>(3,242,488)</u>
Net Position, as Restated					<u>(1,650,912)</u>
Net position, Ending				\$	<u>(2,665,599)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
ACE Leadership High School
Balance Sheets - Governmental Funds
June 30, 2015

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101
ASSETS				
Cash and Cash Equivalents	\$ 488,689	47,612	-	-
Accounts Receivable				
Due from Government	-	-	11,756	59,085
Due from Other Funds	76,715	-	-	-
Prepaid Expenditures	534,015	-	-	-
Total Assets	\$ 1,099,419	47,612	11,756	59,085
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 24,055	-	-	-
Accrued Expenditures	72,879	-	-	-
Due to Other Funds	-	-	9,960	61,171
Total Liabilities	96,934	-	9,960	61,171
Deferred Inflows				
Unavailable revenue	-	-	-	-
Total Deferred Inflows	-	-	-	-
Fund Balances (Deficit)				
Fund Balance:				
Nonspendable:				
Prepaid Expenditures	534,015	-	-	-
Restricted for:				
Instruction	-	47,612	-	-
Food Service Operations	-	-	1,796	-
Capital Improvements	-	-	-	-
Unassigned (Deficit)	468,470	-	-	(2,086)
Total Fund Balance (Deficit)	1,002,485	47,612	1,796	(2,086)
Total Liabilities and Fund Balances (Deficit)	\$ 1,099,419	47,612	11,756	59,085

IDEA-B Entitlement 24106	Federal Charter School Planning 24146	Teacher Principal Training 24154	Kellog Foundation 26121	Daniels Fund 26141	Partners For Developing Futures 26208
-	2,456	-	9,193	88,272	174
5,584	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>5,584</u>	<u>2,456</u>	<u>-</u>	<u>9,193</u>	<u>88,272</u>	<u>174</u>
-	2,456	-	-	18,000	-
-	-	-	9,192	-	-
5,584	-	-	-	-	-
<u>5,584</u>	<u>2,456</u>	<u>-</u>	<u>9,192</u>	<u>18,000</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	1	70,272	174
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>1</u>	<u>70,272</u>	<u>174</u>
<u>5,584</u>	<u>2,456</u>	<u>-</u>	<u>9,193</u>	<u>88,272</u>	<u>174</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
ACE Leadership High School
Balance Sheets - Governmental Funds (Continued)
June 30, 2015

	Private Dir Grants (Categorical) 29102	McCune Charitable Foundation 29114	Public School Capital Outlay 31200
ASSETS			
Cash and Cash Equivalents	\$ 31,836	38,362	-
Accounts Receivable			
Due from Government	300	-	-
Due from Other Funds	-	-	-
Prepaid Expenditures	-	-	-
Total Assets	\$ 32,136	38,362	-
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts Payable	\$ -	-	-
Accrued Expenditures	-	-	-
Due to Other Funds	-	-	-
Total Liabilities	-	-	-
Deferred Inflows			
Unavailable revenue	-	-	-
Total Deferred Inflows	-	-	-
Fund Balances (Deficit)			
Fund Balance:			
Nonspendable:			
Prepaid Expenditures	-	-	-
Restricted for:			
Instruction	32,136	38,362	-
Food Service Operations	-	-	-
Capital Improvements	-	-	-
Unassigned (Deficit)	-	-	-
Total Fund Balance (Deficit)	32,136	38,362	-
Total Liabilities and Fund Balances (Deficit)	\$ 32,136	38,362	-

SB-9 Capital Improvements 31700	Foundation	Total
46,117	238,274	990,985
2,119	32,969	111,813
-	-	76,715
-	-	534,015
<u>48,236</u>	<u>271,243</u>	<u>1,713,528</u>
-	8,573	53,084
-	-	82,071
-	-	76,715
<u>-</u>	<u>8,573</u>	<u>211,870</u>
-	534,015	534,015
<u>-</u>	<u>534,015</u>	<u>534,015</u>
-	-	534,015
-	-	188,557
-	-	1,796
48,236	-	48,236
-	(271,345)	195,039
<u>48,236</u>	<u>(271,345)</u>	<u>967,643</u>
<u>48,236</u>	<u>271,243</u>	<u>1,713,528</u>

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STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
ACE Leadership High School
Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
June 30, 2015

Fund Balance - Total Governmental Funds **\$ 967,643**

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

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

Capital Assets	3,967,996	
Accumulated Depreciation	(54,245)	
		3,913,751

Defined benefit pension plan deferred outflows are not
 financial resources and, therefore, are not reported in the
 funds.

457,979

Long-term liabilities are not due in the current period and,
 therefore, are not reported in the funds.

Accrued Interest Payable	(1,000)	
Long-Term Debt	(4,265,055)	
Net Pension Liability	(3,381,207)	
		(7,647,262)

Defined benefit pension plan deferred inflows are not due and
 payable in the current period and, therefore, are not reported
 in the funds.

(357,710)

Net Position-Total Governmental Activities **\$ (2,665,599)**

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
ACE Leadership High School
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit)
Governmental Funds
For The Year Ended June 30, 2015

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101
REVENUES				
Property Taxes	\$ -	-	-	-
Local & County Grant	4,647	-	-	-
State Grant	3,060,897	23,905	-	-
Federal Grant	-	-	91,427	82,579
Charges for Services	2,015	-	86	-
Miscellaneous Income	417	-	-	-
Total Revenues	<u>3,067,976</u>	<u>23,905</u>	<u>91,513</u>	<u>82,579</u>
EXPENDITURES				
Current:				
Instruction	1,167,849	1,133	-	84,665
Support Services:				
Students	528,166	-	-	-
Instruction	172	-	-	-
General Administration	447,552	-	-	-
School Administration	188,051	-	-	-
Central Services	180,113	-	-	-
Operation & Maintenance of Plant	384,096	-	-	-
Other Support Services Operations	-	-	-	-
Food Services Operations	15,406	-	75,158	-
Community Services Operation	17,012	-	-	-
Capital Outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total Expenditures	<u>2,928,417</u>	<u>1,133</u>	<u>75,158</u>	<u>84,665</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>139,559</u>	<u>22,772</u>	<u>16,355</u>	<u>(2,086)</u>
Other Financing Sources				
<i>Proceeds from capital related debt</i>	-	-	-	-
Total Other Financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>139,559</u>	<u>22,772</u>	<u>16,355</u>	<u>(2,086)</u>
Fund Balances(Deficit) - Beginning of Year	<u>862,926</u>	<u>24,840</u>	<u>(14,559)</u>	<u>-</u>
Fund Balances (Deficit) - End of Year	<u>\$ 1,002,485</u>	<u>47,612</u>	<u>1,796</u>	<u>(2,086)</u>

The accompanying notes are an integral part of these financial statements

IDEA-B Entitlement 24106	Federal Charter School Planning 24146	Teacher Principal Training 24154	Kellog Foundation 26121	Daniels Fund 26141	Partners For Developing Futures 26208
-	-	-	-	-	-
-	-	-	-	200,000	-
-	-	-	-	-	-
55,451	-	7,096	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>55,451</u>	<u>-</u>	<u>7,096</u>	<u>-</u>	<u>200,000</u>	<u>-</u>
55,451	-	-	-	48,410	-
-	-	-	-	3,459	-
-	-	7,096	-	59,660	-
-	-	-	283,446	5,000	-
-	-	-	2,249	55,025	-
-	-	-	15,401	3,794	771
-	6,250	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>55,451</u>	<u>6,250</u>	<u>7,096</u>	<u>301,096</u>	<u>175,348</u>	<u>771</u>
<u>-</u>	<u>(6,250)</u>	<u>-</u>	<u>(301,096)</u>	<u>24,652</u>	<u>(771)</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>(6,250)</u>	<u>-</u>	<u>(301,096)</u>	<u>24,652</u>	<u>(771)</u>
<u>-</u>	<u>6,250</u>	<u>-</u>	<u>301,097</u>	<u>45,620</u>	<u>945</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>1</u>	<u>70,272</u>	<u>174</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
ACE Leadership High School
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit) - Continued
Governmental Funds
For The Year Ended June 30, 2015

	Private Dir Grants (Categorical) 29102	McCune Charitable Foundation 29114	Public School Capital Outlay 31200
REVENUES			
Property Taxes	\$ -	-	-
Local & County Grant	13,000	10,000	-
State Grant	-	-	244,923
Federal Grant	-	-	-
Charges for Services	-	-	-
Miscellaneous Income	-	-	-
Total Revenues	<u>13,000</u>	<u>10,000</u>	<u>244,923</u>
EXPENDITURES			
Current:			
Instruction	336	-	-
Support Services:			
Students	-	-	-
Instruction	40,263	-	-
General Administration	4,235	38,602	-
School Administration	5,128	8,009	-
Central Services	-	54,086	-
Operation & Maintenance of Plant	-	-	-
Other Support Services Operations	-	-	-
Food Services Operations	-	-	-
Community Services Operation	-	-	-
Capital Outlay	-	-	244,923
Debt service			
Principal	-	-	-
Interest	-	-	-
Total Expenditures	<u>49,962</u>	<u>100,697</u>	<u>244,923</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(36,962)</u>	<u>(90,697)</u>	<u>-</u>
Other Financing Sources			
<i>Proceeds from capital related debt</i>	-	-	-
Total Other Financing sources	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>(36,962)</u>	<u>(90,697)</u>	<u>-</u>
Fund Balances(Deficit) - Beginning of Year	<u>69,098</u>	<u>129,059</u>	<u>-</u>
Fund Balances (Deficit) - End of Year	<u>\$ 32,136</u>	<u>38,362</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements

SB-9 Capital Improvements 31700	Foundation	Total
91,989	-	91,989
-	-	227,647
-	-	3,329,725
-	-	236,553
-	-	2,101
-	515,972	516,389
<u>91,989</u>	<u>515,972</u>	<u>4,404,404</u>
-	-	1,357,844
-	-	531,625
-	-	107,191
-	-	778,835
-	-	258,462
-	-	254,165
-	-	390,346
-	21,921	21,921
-	-	90,564
-	-	17,012
68,136	3,410,998	3,724,057
-	563,242	563,242
-	27,855	27,855
<u>68,136</u>	<u>4,024,016</u>	<u>8,123,119</u>
<u>23,853</u>	<u>(3,508,044)</u>	<u>(3,718,715)</u>
-	3,749,788	3,749,788
-	3,749,788	3,749,788
<u>23,853</u>	<u>241,744</u>	<u>31,073</u>
<u>24,383</u>	<u>(513,089)</u>	<u>936,570</u>
<u>48,236</u>	<u>(271,345)</u>	<u>967,643</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 ACE Leadership High School
 Reconciliation of the Statement of Revenues, Expenditures, and Changes
 in Fund Balances (Deficit) of Governmental Funds to the Statement of Activities
 For the Year Ended June 30, 2015

Net Change in Fund Balance-Total Governmental Funds **\$ 31,073**

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

Capital outlays to purchase or build capital assets are reported in
 governmental funds as expenditures. However, for governmental activities
 those costs are shown in the Statement of Net Position and allocated over
 their estimated useful lives as annual depreciation expenses in the
 Statement of Activities. This is the amount by which capital outlay exceeds
 depreciation for the period

Capital Outlays	2,217,091	
Depreciation Expense	(38,855)	
	2,178,236	2,178,236

The issuance of long-term debt (e.g., bonds, notes, leases) provide current
 financial resources to governmental funds, while the repayment of the
 principal of long-term debt consumes the current financial resources of
 governmental funds. Neither transaction, however, has any effect on net
 position.

Issuance of Long-Term Debt	(3,749,788)	
Change in Accrued Interest Payable	1,000	
Payment of Long-Term Debt	563,242	
Changes in Net Pension Liability	(38,450)	
	(3,223,996)	(3,223,996)

Change in Net Position-Total Governmental Activities **\$ (1,014,687)**

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 ACE Leadership High School
 Statement of Fiduciary Assets and Liabilities- Agency Funds
 June 30, 2015

	<u>Agency</u>
ASSETS	
Cash in Bank	\$ 1,693
Total Assets	<u>\$ 1,693</u>
LIABILITIES	
Deposits Held for Others	\$ 1,693
Total Liabilities	<u>\$ 1,693</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 ACE Leadership High School
 Schedule of Changes in Assets and Liabilities - Agency Funds
 For The Year Ended June 30, 2015

	<u>Balance</u> <u>July 1, 2014</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2015</u>
ASSETS				
Cash in Bank	\$ 2,547	68	(922)	1,693
Total Assets	<u>\$ 2,547</u>	<u>68</u>	<u>(922)</u>	<u>1,693</u>
 LIABILITIES				
Deposits Held for Others	\$ 2,547	68	(922)	1,693
Total Liabilities	<u>\$ 2,547</u>	<u>68</u>	<u>(922)</u>	<u>1,693</u>

The accompanying notes are an integral part of these financial statements

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Capital Assets. Capital assets purchased or acquired are 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 ACE Leadership High School's capitalization policy (i.e., the dollar value above which the asset acquisitions are added to the capital accounts) is \$5,000. The ACE Leadership High School does not capitalize any interest with regard to its capital assets.

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

Furniture, Fixtures and Equipment	5 years
Buildings and Improvements	40 years

Capital assets for the ACE Leadership High School are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB's Fiduciary Net Position have been determined on the economic resources measurement focus and accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
ACE Leadership High School
Notes to the Financial Statements
June 30, 2015

NOTE 2. CAPITAL ASSETS

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

	<u>Balance</u> <u>June 30, 2014</u>	<u>Additions</u>	<u>Deletions</u> <u>or Reclass</u>	<u>Balance</u> <u>June 30, 2015</u>
<i>Capital Assets not being Depreciated:</i>				
Land	\$ 1,196,050	-	-	1,196,050
Construction in Progress	510,020	-	(510,020)	-
<i>Total</i>	<u>1,706,070</u>	<u>-</u>	<u>(510,020)</u>	<u>1,196,050</u>
<i>Capital Assets being Depreciated:</i>				
Furniture, Fixtures and Equipment	44,835	969	-	45,804
Building and Improvements	-	2,216,122	510,020	2,726,142
<i>Total</i>	<u>44,835</u>	<u>2,217,091</u>	<u>510,020</u>	<u>2,771,946</u>
<i>Less: Accumulated Depreciation</i>				
Furniture, fixtures and equipment	(15,390)	(6,186)	-	(21,576)
Building and improvements	-	(32,669)	-	(32,669)
<i>Total</i>	<u>(15,390)</u>	<u>(38,855)</u>	<u>-</u>	<u>(54,245)</u>
Capital Assets, Net	<u>\$ 1,735,515</u>	<u>2,178,236</u>	<u>-</u>	<u>3,913,751</u>

Depreciation expensed for the year ended June 30, 2015 was expensed to the following functions:

Capital Outlay	<u>\$ 38,855</u>
Total	<u>\$ 38,855</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
ACE Leadership High School
Notes to the Financial Statements
June 30, 2015

NOTE 3. COMMITMENTS AND LIABILITIES

The ACE Leadership High School leased equipment and facilities under long-term cancelable operating leases. Rental expense for the year ended June 30, 2015 was \$706,028. The ACE Leadership High School's minimum future payments on this lease are as follows:

Year Ending June 30:	
2016	\$ 581,524
2017	447,545
2018	485,778
2019	488,122
2020	490,582
Total	<u>\$ 2,493,551</u>

The total outstanding long term debt as of June 30, 2015 is as follows:

Land note payable to 1224 Bellamah, LLC interest at 3%, due in one annual installment due February 28, 2016	\$ 100,000
Land note payable to Charter Schools Development Land, interest at 7.01%, due in monthly installments of \$6,204 due September 30, 2019	784,384
Mortgage payable to bank secured by building and land; interest at 4.75% due in monthly Installments of \$23,394; maturing March 2024	<u>3,380,671</u>
Total	4,265,055
Less Current Maturities	<u>(233,040)</u>
	<u>\$ 4,032,015</u>

The aggregate amounts of principal maturities of the long term debt are as follows:

2016	\$ 233,040
2017	140,515
2018	147,934
2019	156,751
2020	831,430
2021-2025	<u>2,755,385</u>
Total	<u>\$ 4,265,055</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
ACE Leadership High School
Notes to the Financial Statements
June 30, 2015

NOTE 4. DEFICIT FUND BALANCE

The following fund had a deficit fund balance at June 30, 2015:

Title I IASA - 24101	\$	2,086
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The ACE Leadership High School is addressing the negative fund balance and is planning on taking the appropriate actions to eliminate the negative balance.

NOTE 5. RELATED PARTY TRANSACTIONS

The ACE Leadership High School leases the building from the ACE Leadership High School Foundation that the school resides in. The Foundation is considered a component unit of the school and is presented as a blended component unit.

For the fiscal year ending June 30, 2015, the school's business manager was also a business manager for another charter school.

NOTE 6. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD

Contributions. The contribution requirements of defined benefit plan members and ACE Leadership High School are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year ended June 30, 2014 employers contributed 13.15% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.10% of their gross annual salary. For fiscal year ended June 30, 2015 employers contributed 13.90%, and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 contributed an increased amount of 10.70% of their gross annual salary. Contributions to the pension plan from ACE Leadership High School were \$263,237 for the year ended June 30, 2015.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
ACE Leadership High School
Notes to the Financial Statements
June 30, 2015

NOTE 6. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2013. The total ERB pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2014, using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date June 30, 2014. At June 30, 2015, ACE Leadership High School reported a liability of \$3,381,207 for its proportionate share of the net pension liability. ACE Leadership High School's proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2014. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2014, ACE Leadership High School's proportion was 0.05926%, which was an increase of 0.00418% from its proportion measured as of June 30, 2013.

For the year ended June 30, 2015, ACE Leadership High School recognized pension expense of \$301,687. At the June 30, 2015, ACE Leadership High School reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	50,365
Changes in assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	307,345
Changes in proportion and differences between ACE Leadership High School contributions and proportionate share of contributions	194,742	-
ACE Leadership High School contributions subsequent to the measurement date	<u>263,237</u>	<u>-</u>
Total	<u>\$ 457,979</u>	<u>357,710</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 ACE Leadership High School
 Notes to the Financial Statements
 June 30, 2015

NOTE 6. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

\$263,237 reported as deferred outflows of resources related to pensions resulting from ACE Leadership High School contributions subsequent to the measurement date June 30, 2014 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2016	\$ 26,712
2017	26,712
2018	32,728
2019	<u>76,816</u>
Total	<u>\$ 162,968</u>

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

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
ACE Leadership High School's proportionate share of the net pension liability	<u>\$ 4,600,524</u>	<u>3,381,207</u>	<u>2,362,579</u>

Payables to the pension plan. For the year ending June 30, 2015, ACE Leadership High School's accrued liability due to ERB was \$22,665 for June payroll paid in July 2015.

NOTE 7. BUDGET OVERAGE

ACE Leadership High School expended in excess of budget in the following fund and function:

Fund 31700 – SB-9 Capital Improvements – Capital Outlay \$16,330

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
ACE Leadership High School
Notes to the Financial Statements
June 30, 2015**

NOTE 8. RESTATEMENT

As a result of implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, net position at June 30, 2014 was restated in the amount of \$(3,242,488).

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
ACE Leadership High School
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2015

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.06%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 3,381	-	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 1,633	-	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	207.02%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30, 2014

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
ACE Leadership High School
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2015

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 215	-	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	215	-	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ -	-	-	-	-	-	-	-	-	-

Year	Total Amount Deferred	Amortization Years	Increase (Decrease) in Pension Expense over Recognition Periods											
			2015	2016	2017	2018	2019	2020	2021	2022	2023	2024		
2014	\$ 163	5	\$ 27	27	27	33	76	-	-	-	-	-	-	-
2015	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2016	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2017	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2018	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2019	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2020	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2021	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2022	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2023	-	5	-	-	-	-	-	-	-	-	-	-	-	-
	\$ 163		\$ 27	27	27	33	76	-	-	-	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
ACE Leadership High School
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Local & County Grant	\$ -	-	4,647	4,647
State Grant	3,090,539	3,090,539	3,060,897	(29,642)
Charges for Services	3,000	3,000	2,432	(568)
Total Revenues	<u>3,093,539</u>	<u>3,093,539</u>	<u>3,067,976</u>	<u>(25,563)</u>
EXPENDITURES				
Current:				
Instruction	1,476,003	1,503,108	1,167,849	335,259
Support Services:				
Students	574,023	574,023	534,590	39,433
Instruction	-	-	172	(172)
General Administration	487,692	507,692	447,552	60,140
School Administration	219,315	231,315	188,051	43,264
Central Services	193,656	199,656	180,113	19,543
Operation & Maintenance of Plant	503,064	503,064	480,296	22,768
Food Services Operations	13,000	37,000	15,406	21,594
Community Services Operations	14,000	24,000	17,012	6,988
Total Expenditures	<u>3,480,753</u>	<u>3,579,858</u>	<u>3,031,041</u>	<u>548,817</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	<u>(387,214)</u>	<u>(486,319)</u>	<u>36,935</u>	<u>523,254</u>
Net Changes in Fund Balances	<u>(387,214)</u>	<u>(486,319)</u>	<u>36,935</u>	<u>523,254</u>
Cash or Fund Balances - Beginning of Year	<u>862,926</u>	<u>862,926</u>	<u>862,926</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ 475,712</u>	<u>376,607</u>	<u>899,861</u>	<u>523,254</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ 36,935	
Adjustments to Expenditures			<u>102,624</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 139,559</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
ACE Leadership High School
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 15,748	15,748	23,905	8,157
Total Revenues	<u>15,748</u>	<u>15,748</u>	<u>23,905</u>	<u>8,157</u>
EXPENDITURES				
Current:				
Instruction	27,737	40,588	1,133	39,455
Total Expenditures	<u>27,737</u>	<u>40,588</u>	<u>1,133</u>	<u>39,455</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(11,989)</u>	<u>(24,840)</u>	<u>22,772</u>	<u>47,612</u>
Net Changes in Fund Balances	<u>(11,989)</u>	<u>(24,840)</u>	<u>22,772</u>	<u>47,612</u>
Cash or Fund Balances - Beginning of Year	<u>24,840</u>	<u>24,840</u>	<u>24,840</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ 12,851</u>	<u>-</u>	<u>47,612</u>	<u>47,612</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 22,772	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 22,772</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
ACE Leadership High School
Schedule of Budgetary Comparisons - Budgetary Basis
Food Services 21000
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 100,000	100,000	87,384	(12,616)
Charges for Services	-	-	86	86
Total Revenues	<u>100,000</u>	<u>100,000</u>	<u>87,470</u>	<u>(12,530)</u>
EXPENDITURES				
Current:				
Food Services Operations	100,000	100,000	81,806	18,194
Total Expenditures	<u>100,000</u>	<u>100,000</u>	<u>81,806</u>	<u>18,194</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	5,664	5,664
Net Changes in Fund Balances	-	-	5,664	5,664
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>5,664</u>	<u>5,664</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 5,664	
Adjustments to Revenues			<u>10,691</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 16,355</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 ACE Leadership High School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Title I IASA 24101
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 71,342	84,665	52,011	(32,654)
Total Revenues	<u>71,342</u>	<u>84,665</u>	<u>52,011</u>	<u>(32,654)</u>
EXPENDITURES				
Current:				
Instruction	71,342	84,665	84,665	-
Total Expenditures	<u>71,342</u>	<u>84,665</u>	<u>84,665</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(32,654)	(32,654)
Net Changes in Fund Balances	-	-	(32,654)	(32,654)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(32,654)</u>	<u>(32,654)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (32,654)	
Adjustments to Revenues			<u>30,568</u>	
NET CHANGE IN FUND BALANCE			<u>\$ (2,086)</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
ACE Leadership High School
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Entitlement 24106
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 49,867	55,451	59,536	4,085
Total Revenues	<u>49,867</u>	<u>55,451</u>	<u>59,536</u>	<u>4,085</u>
EXPENDITURES				
Current:				
Instruction	49,867	55,451	55,451	-
Total Expenditures	<u>49,867</u>	<u>55,451</u>	<u>55,451</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	-	-	4,085	4,085
Net Changes in Fund Balances	-	-	4,085	4,085
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>4,085</u>	<u>4,085</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ 4,085	
<i>Adjustments to Revenues</i>			(4,085)	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 ACE Leadership High School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Federal Charter School Planning 24146
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
<i>Total Revenues</i>	\$ -	-	-	-
EXPENDITURES				
Current:				
<i>Total Expenditures</i>	-	-	-	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
<i>Net Changes in Fund Balances</i>	-	-	-	-
<i>Cash or Fund Balances - Beginning of Year</i>	-	-	-	-
<i>Cash or Fund Balances - End of Year</i>	\$ -	-	-	-
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			(6,250)	
NET CHANGE IN FUND BALANCE			<u>\$ (6,250)</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 ACE Leadership High School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Teacher Principal Training 24154
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 10,943	27,054	7,096	(19,958)
Total Revenues	<u>10,943</u>	<u>27,054</u>	<u>7,096</u>	<u>(19,958)</u>
EXPENDITURES				
Current:				
Support Services:				
Instruction	10,943	27,054	7,096	19,958
Total expenditures	<u>10,943</u>	<u>27,054</u>	<u>7,096</u>	<u>19,958</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 ACE Leadership High School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Kellog Foundation 26121
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
<i>Total Revenues</i>	\$ -	-	-	-
EXPENDITURES				
Current:				
Support Services:				
General Administration	299,297	285,075	283,446	1,629
School Administration	-	-	2,249	(2,249)
Central Services	16,021	16,021	15,401	620
<i>Total Expenditures</i>	<u>315,318</u>	<u>301,096</u>	<u>301,096</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(315,318)</u>	<u>(301,096)</u>	<u>(301,096)</u>	<u>-</u>
<i>Net Changes in Fund Balances</i>	<u>(315,318)</u>	<u>(301,096)</u>	<u>(301,096)</u>	<u>-</u>
<i>Cash or Fund Balances - Beginning of Year</i>	<u>301,097</u>	<u>301,097</u>	<u>301,097</u>	<u>-</u>
<i>Cash or Fund Balances - End of Year</i>	<u>\$ (14,221)</u>	<u>1</u>	<u>1</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (301,096)	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (301,096)</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 ACE Leadership High School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Daniels Fund 26141
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Local & County Grant	\$ -	200,000	200,000	-
Total Revenues	<u>-</u>	<u>200,000</u>	<u>200,000</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	100,000	100,000	48,410	51,590
Support Services:				
Students	4,224	4,224	3,459	765
Instruction	15,000	115,000	59,660	55,340
General Administration	5,000	5,000	5,000	-
School Administration	20,000	16,395	55,025	(38,630)
Central Services	5,000	5,000	3,794	1,206
Total Expenditures	<u>149,224</u>	<u>245,619</u>	<u>175,348</u>	<u>70,271</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(149,224)</u>	<u>(45,619)</u>	<u>24,652</u>	<u>70,271</u>
Net Changes in Fund Balances	<u>(149,224)</u>	<u>(45,619)</u>	<u>24,652</u>	<u>70,271</u>
Cash or Fund Balances - Beginning of Year	<u>45,620</u>	<u>45,620</u>	<u>45,620</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ (103,604)</u>	<u>1</u>	<u>70,272</u>	<u>70,271</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 24,652	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 24,652</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
ACE Leadership High School
Schedule of Budgetary Comparisons - Budgetary Basis
Partners for Developing Futures 26208
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
<i>Total Revenues</i>	\$ -	-	-	-
EXPENDITURES				
Current:				
Central Services	945	945	771	174
<i>Total Expenditures</i>	945	945	771	174
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	(945)	(945)	(771)	174
Net Changes in Fund Balances	(945)	(945)	(771)	174
Cash or Fund Balances - Beginning of Year	945	945	945	-
Cash or Fund Balances - End of Year	\$ -	-	174	174
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (771)	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ (771)	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
ACE Leadership High School
Schedule of Budgetary Comparisons - Budgetary Basis
Private Dir Grants (Categorical) 29102
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Local & County Grant	\$ -	10,000	13,000	3,000
Total Revenues	<u>-</u>	<u>10,000</u>	<u>13,000</u>	<u>3,000</u>
EXPENDITURES				
Current:				
Instruction	-	4,183	336	3,847
Support Services:				
Instruction	42,500	67,625	40,263	27,362
General Administration	-	-	4,235	(4,235)
School Administration	7,290	7,290	5,128	2,162
Total Expenditures	<u>49,790</u>	<u>79,098</u>	<u>49,962</u>	<u>29,136</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(49,790)</u>	<u>(69,098)</u>	<u>(36,962)</u>	<u>32,136</u>
Net Changes in Fund Balances	<u>(49,790)</u>	<u>(69,098)</u>	<u>(36,962)</u>	<u>32,136</u>
Cash or Fund Balances - Beginning of Year	<u>69,098</u>	<u>69,098</u>	<u>69,098</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ 19,308</u>	<u>-</u>	<u>32,136</u>	<u>32,136</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (36,962)	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (36,962)</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
ACE Leadership High School
Schedule of Budgetary Comparisons - Budgetary Basis
McCune Charitable Foundation 29114
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Local & County Grant	\$ -	10,000	10,000	-
Total Revenues	<u>-</u>	<u>10,000</u>	<u>10,000</u>	<u>-</u>
EXPENDITURES				
Current:				
Support Services:				
General Administration	75,000	75,000	38,602	36,398
School Administration	-	10,000	8,009	1,991
Central Services	5,000	5,000	4,086	914
Total Expenditures	<u>80,000</u>	<u>90,000</u>	<u>50,697</u>	<u>39,303</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(80,000)</u>	<u>(80,000)</u>	<u>(40,697)</u>	<u>39,303</u>
Net Changes in Fund Balances	<u>(80,000)</u>	<u>(80,000)</u>	<u>(40,697)</u>	<u>39,303</u>
Cash or Fund Balances - Beginning of Year	<u>129,059</u>	<u>129,059</u>	<u>129,059</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ 49,059</u>	<u>49,059</u>	<u>88,362</u>	<u>39,303</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (40,697)	
Adjustments to Expenditures			<u>(50,000)</u>	
NET CHANGE IN FUND BALANCE			<u>\$ (90,697)</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 ACE Leadership High School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Public School Capital Outlay 31200
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	244,923	272,910	27,987
Total Revenues	<u>-</u>	<u>244,923</u>	<u>272,910</u>	<u>27,987</u>
EXPENDITURES				
Current:				
Capital Outlay	-	244,923	244,923	-
Total Expenditures	<u>-</u>	<u>244,923</u>	<u>244,923</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>27,987</u>	<u>27,987</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>27,987</u>	<u>27,987</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>27,987</u>	<u>27,987</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 27,987	
Adjustments to Revenues			<u>(27,987)</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
ACE Leadership High School
Schedule of Budgetary Comparisons - Budgetary Basis
SB-9 Capital Improvements 31700
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Property Taxes	\$ 91,495	91,495	89,870	(1,625)
State Grant	13,419	13,419	-	(13,419)
Total Revenues	<u>104,914</u>	<u>104,914</u>	<u>89,870</u>	<u>(15,044)</u>
EXPENDITURES				
Current:				
Capital Outlay	104,914	104,914	121,244	(16,330)
Total Expenditures	<u>104,914</u>	<u>104,914</u>	<u>121,244</u>	<u>(16,330)</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(31,374)	(31,374)
Net Changes in Fund Balances	-	-	(31,374)	(31,374)
Cash or Fund Balances - Beginning of Year	77,491	77,491	77,491	-
Cash or Fund Balances - End of Year	<u>\$ 77,491</u>	<u>77,491</u>	<u>46,117</u>	<u>(31,374)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (31,374)	
Adjustments to Revenues			2,119	
Adjustments to Expenditures			53,108	
NET CHANGE IN FUND BALANCE			<u>\$ 23,853</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
ACE Leadership High School
Schedule of Collateral Pledged by Depository for Public Funds
June 30, 2015

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2015</u>
Suntrust Bank	GO School Bonds	264430KB4	9/1/2018	\$ 477,860
Suntrust Bank	GO School Bonds	473750CF2	3/1/2016	320,720
Suntrust Bank	GO School Bonds	640575GM2	9/1/2029	315,354
				<u>\$ 1,113,934</u>

Total Cash per Schedule of Cash Accounts:	\$ 1,108,029
Less: FDIC coverage:	<u>(250,000)</u>
Uninsured Public Funds:	858,029
Collateral Requirement:	429,015
Pledged Collateral Held by Pledging Financial Institution:	<u>1,113,934</u>
Balance Over Collateralized:	<u>\$ 684,919</u>
Balance Uninsured and Uncollateralized at June 30, 2015:	<u>\$ -</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 ACE Leadership High School
 Schedule of Cash Accounts
 June 30, 2015

<u>Bank Account Type</u>	<u>New Mexico Bank & Trust</u>
Checking - Operational Account	\$ 846,341
Checking - Foundation	<u>261,688</u>
<i>Total on Deposit</i>	1,108,029
Reconciling Items	<u>(115,351)</u>
Reconciled Balance June 30, 2015	<u>992,678</u>
Less Agency Funds	<u>(1,693)</u>
<i>Total Cash</i>	<u><u>\$ 990,985</u></u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
ACE Leadership High School
Cash Reconciliation
June 30, 2015

	Operational <u>11000</u>	Instructional Materials <u>14000</u>	Food Services <u>21000</u>	Non-Instruct. Fund <u>23000</u>
Cash, June 30, 2014	\$ 443,183	24,840	(10,181)	2,342
Add:				
2014-15 revenues	<u>3,067,975</u>	<u>23,905</u>	<u>87,470</u>	<u>68</u>
Total Cash Available	3,511,158	48,745	77,289	2,410
Less:				
2014-15 expenditures	(3,018,551)	(1,133)	(81,806)	(717)
Receivables/Payables	(20)	-	(42)	-
Outstanding Loans	<u>(68,858)</u>	<u>-</u>	<u>4,559</u>	<u>-</u>
Cash June 30, 2015	<u>423,729</u> *	<u>47,612</u>	<u>-</u>	<u>1,693</u>
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	<u>64,960</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash Per Books	<u>488,689</u>	<u>47,612</u>	<u>-</u>	<u>1,693</u>
	Does not match the general ledger *			
Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	<u>513,796</u>	<u>-</u>	<u>1,796</u>	<u>(1,693)</u>
Fund Balance (Deficit), Modified Accrual Basis	<u><u>\$ 1,002,485</u></u>	<u><u>47,612</u></u>	<u><u>1,796</u></u>	<u><u>-</u></u>

Federal Projects Account 24000	Local Grants 26000	State Account 27000	Local or State 29000	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Total
(38,186)	347,661	(50,961)	148,158	(27,987)	77,491	916,360
<u>118,643</u>	<u>200,000</u>	<u>50,961</u>	<u>23,000</u>	<u>272,910</u>	<u>89,870</u>	<u>3,934,802</u>
80,457	547,661	-	171,158	244,923	167,361	4,851,162
(147,212)	(459,215)	-	(100,660)	(244,923)	(121,244)	(4,175,461)
2,456	-	-	10	-	-	2,404
64,299	-	-	-	-	-	-
<u>-</u>	<u>* 88,446 *</u>	<u>-</u>	<u>70,508</u>	<u>* -</u>	<u>46,117</u>	<u>678,105</u>
<u>2,456</u>	<u>9,193</u>	<u>-</u>	<u>(310)</u>	<u>-</u>	<u>-</u>	<u>76,299</u>
<u>2,456</u>	<u>97,639</u>	<u>-</u>	<u>70,198</u>	<u>-</u>	<u>46,117</u>	<u>754,404</u>
						Less: Activity Funds Per Schedule of Changes in Assets and Liabilities- Agency Fund: (1,693)
						Balance Sheet-Foundation: 238,274
						<u>\$ 990,985</u>
<u>(4,542)</u>	<u>(27,192)</u>	<u>-</u>	<u>300</u>	<u>-</u>	<u>2,119</u>	<u>484,584</u>
<u>(2,086)</u>	<u>70,447</u>	<u>-</u>	<u>70,498</u>	<u>-</u>	<u>48,236</u>	<u>1,238,988</u>
						Add: Foundation: (271,345)
						Balance Sheets - Governmental Funds: <u>\$ 967,643</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque Institute for Mathematics & Science
Statement of Net Position
June 30, 2015

ASSETS AND DEFERRED OUTFLOWS

Current assets:

Cash	\$ 2,448,901
Receivables	
Due from other governments	74,340
Prepaid expenses	5,025
Total current assets	<u>2,528,266</u>

Noncurrent assets:

Capital assets	
Furniture, fixtures, and equipment	77,553
Less: accumulated depreciation	(29,269)
Total noncurrent assets	<u>48,284</u>

Total Assets	<u>2,576,550</u>
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Deferred outflows -pension related	<u>272,656</u>
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LIABILITIES AND DEFERRED INFLOWS

Current liabilities:

Accounts payable	26,079
Accrued liabilities	186,313
Unearned revenue	175,000
Total current liabilities	<u>387,392</u>

Noncurrent liabilities:

Net pension liability	<u>2,747,871</u>
Total noncurrent liabilities	<u>2,747,871</u>

Total liabilities	<u>3,135,263</u>
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Deferred inflows - pension related	<u>290,723</u>
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NET POSITION

Investment in capital assets	48,284
Restricted	892,777
Unrestricted (Deficit)	<u>(1,517,841)</u>
Total net position	<u>\$ (576,780)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque Institute for Mathematics & Science
Statement of Activities
For The Year Ended June 30, 2015

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 1,688,836	4,049	98,941	-	(1,585,846)
Support services:					
Students	264,455	-	-	-	(264,455)
Instruction	36,644	-	-	-	(36,644)
General Administration	64,611	-	-	-	(64,611)
School Administration	340,575	-	-	-	(340,575)
Central Services	208,686	-	-	-	(208,686)
Operation & Maintenance of Plant	100,796	-	-	-	(100,796)
Other support services	44,270	-	-	-	(44,270)
Facilities Materials, Supplies & Other Services	276,401	-	-	470,196	193,795
Total governmental activities	<u>\$ 3,025,274</u>	<u>4,049</u>	<u>98,941</u>	<u>470,196</u>	<u>(2,452,088)</u>
General Revenues:					
State Equalization Guarantee					<u>\$ 2,795,356</u>
Total general revenues					<u>2,795,356</u>
Change in net position					343,268
Net position-beginning					1,854,889
Restatement					<u>(2,774,937)</u>
Net position - beginning, restated					<u>(920,048)</u>
Net position-ending					<u>\$ (576,780)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque Institute for Mathematics & Science
Balance Sheets - Governmental Funds
June 30, 2015

	Operational 11000	Instructional Materials 14000	Daniels Fund 26141	Dual Credit Instructional Materials 27103
ASSETS				
<i>Assets</i>				
Cash and Cash Equivalents	\$ 1,389,261	59,766	175,000	-
Accounts receivable				
Due from Government	-	-	-	2,055
Due from other funds	70,838	-	-	-
Prepaid expenditures	5,025	-	-	-
Total Assets	\$ 1,465,124	59,766	175,000	2,055
LIABILITIES AND FUND BALANCES				
<i>Liabilities:</i>				
Accounts payable	\$ 17,115	355	-	-
Accrued expenses	186,313	-	-	-
Unspent grant revenue	-	-	175,000	-
Due to other funds	-	-	-	2,055
Total Liabilities	203,428	355	175,000	2,055
<i>Fund Balances (Deficit)</i>				
Fund Balance:				
Non Spendable				
Prepaid expenditures	5,025	-	-	-
Restricted for:				
Instruction	-	59,411	-	-
Capital improvements	-	-	-	-
Assigned to:				
Subsequent years expenditures and other programs	1,256,671	-	-	-
Unassigned (Deficit)	-	-	-	-
Total Fund Balance (Deficit)	1,261,696	59,411	-	-
Total Liabilities and Fund Balance (Deficit)	\$ 1,465,124	59,766	175,000	2,055

The accompanying notes are an integral part of these financial statements

2010 G.O. Bond Student Library 27106	2012 G.O. Bond Student Library 27107	Public School Capital Outlay 31200	Special Capital Outlay - State 31400	HB 33 Capital Improvements 31600	SB-9 Capital Improvements 31700	Total Government
-	-	-	-	824,874	-	2,448,901
-	-	65,005	3,778	3,502	-	74,340
-	-	-	-	-	-	70,838
-	-	-	-	-	-	5,025
-	-	65,005	3,778	828,376	-	2,599,104
-	-	-	-	35	8,574	26,079
-	-	-	-	-	-	186,313
-	-	-	-	-	-	175,000
-	-	65,005	3,778	-	-	70,838
-	-	65,005	3,778	35	8,574	458,230
-	-	-	-	-	-	5,025
-	-	-	-	-	-	59,411
-	-	-	-	828,341	-	828,341
-	-	-	-	-	-	1,256,671
-	-	-	-	-	(8,574)	(8,574)
-	-	-	-	828,341	(8,574)	2,140,874
-	-	65,005	3,778	828,376	-	2,599,104

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STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Albuquerque Institute for Mathematics & Science
 Reconciliation of the Balance Sheet Governmental Funds to the Statement of Net Position
 June 30, 2015

Fund balances - total governmental funds **\$ 2,140,874**

Amounts reported for governmental activities in the statement of net position are different because:

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

Capital assets	77,553	
Accumulated depreciation	(29,269)	
		48,284

Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds.	272,656
---	---------

Long-term liabilities are not due in the current period and, therefore, are not reported in the funds.	
Net pension liability	(2,747,871)

Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds.	
	(290,723)

Net Position-total Governmental Activities **\$ (576,780)**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque Institute for Mathematics & Science
Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit)
Governmental Funds
For The Year Ended June 30, 2015

	Operational 11000	Instructional Materials 14000	Daniels Fund 26141	Dual Credit Instructional Materials 27103
Revenues:				
Property Taxes	\$ -	-	-	-
Local & County Grant	62,094	-	-	-
State grant	2,795,356	26,253	-	7,234
Charges for services	4,049	-	-	-
Total Revenues	<u>2,861,499</u>	<u>26,253</u>	<u>-</u>	<u>7,234</u>
Expenditures:				
Current:				
Instruction	1,656,645	29,940	-	7,234
Support Services:				
Students	265,283	-	-	-
Instruction	33,284	-	-	-
General Administration	61,179	-	-	-
School Administration	341,959	-	-	-
Central Services	209,351	-	-	-
Operation & Maintenance of Plant	94,286	-	-	-
Other Support Services Operations	44,270	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>2,706,257</u>	<u>29,940</u>	<u>-</u>	<u>7,234</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>155,242</u>	<u>(3,687)</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	155,242	(3,687)	-	-
Fund balances - beginning of year	<u>1,106,454</u>	<u>63,098</u>	<u>-</u>	<u>-</u>
Fund balances - end of year	<u>\$ 1,261,696</u>	<u>59,411</u>	<u>-</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements

2010 G.O. Bond Student Library 27106	2012 G.O. Bond Student Library 27107	Public School Capital Outlay 31200	Special Capital Outlay - State 31400	HB 33 Capital Improvements 31600	SB-9 Capital Improvements 31700	Total
-	-	-	-	202,369	-	202,369
-	-	-	-	-	-	62,094
-	3,360	260,018	3,778	-	4,031	3,100,030
-	-	-	-	-	-	4,049
-	<u>3,360</u>	<u>260,018</u>	<u>3,778</u>	<u>202,369</u>	<u>4,031</u>	<u>3,368,542</u>
-	-	-	-	-	-	1,693,819
-	-	-	-	-	-	265,283
-	3,360	-	-	-	-	36,644
-	-	-	-	2,053	-	63,232
-	-	-	-	-	-	341,959
-	-	-	-	-	-	209,351
-	-	-	-	-	-	94,286
-	-	-	-	-	-	44,270
-	-	260,018	3,778	-	12,605	276,401
-	<u>3,360</u>	<u>260,018</u>	<u>3,778</u>	<u>2,053</u>	<u>12,605</u>	<u>3,025,245</u>
-	-	-	-	200,316	(8,574)	343,297
-	-	-	-	200,316	(8,574)	343,297
-	-	-	-	628,025	-	1,797,577
-	-	-	-	<u>828,341</u>	<u>(8,574)</u>	<u>2,140,874</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque Institute for Mathematics & Science
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances (Deficit) of Governmental Funds to the Statement of Activities
For The Year Ended June 30, 2015

Net change in fund balances-total governmental funds **\$ 343,297**

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

Change in net pension liability 8,999

Capital Outlays to purchase or build capital assets are reported in
 governmental funds as expenditures. However, for governmental
 activities those costs are shown in the Statement of Net Position and
 allocated over their estimated useful lives as annual depreciation
 expenses in the Statement of Activities. This is the amount by which
 capital outlay exceeds depreciation for the period

Depreciation expense	(9,028)	
		(9,028)

Change in Net Position-total Governmental Activities **\$ 343,268**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Albuquerque Institute for Mathematics & Science
 Statement of Fiduciary Assets and Liabilities - Agency Funds
 June 30, 2015

	<u>Agency Funds</u>
ASSETS	
Cash in bank	<u>\$ 27,066</u>
Total Assets	<u><u>\$ 27,066</u></u>
 LIABILITIES	
Deposits held for others	<u>\$ 27,066</u>
Total Liabilities	<u><u>\$ 27,066</u></u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque Institute for Mathematics & Science
Schedule of Changes in Assets and Liabilities - Agency Funds
For The Year Ended June 30, 2015

	<u>Balance July 1, 2014</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2015</u>
ASSETS				
Cash in bank	\$ 16,205	19,562	(8,701)	27,066
Total assets	<u>\$ 16,205</u>	<u>19,562</u>	<u>(8,701)</u>	<u>27,066</u>
LIABILITIES				
Deposits held for others	\$ 16,205	19,562	(8,701)	27,066
Total liabilities	<u>\$ 16,205</u>	<u>19,562</u>	<u>(8,701)</u>	<u>27,066</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Albuquerque Institute for Mathematics & Science
 Notes to the Financial Statements
 June 30, 2015

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Capital Assets. Capital assets, which include property, plant, and equipment, are reported in the applicable governmental-wide financial statements. The Albuquerque Institute for Mathematics & Science (AIMS) defines capital assets as assets with an initial, individual cost of more than \$5,000 and an initial useful life extending beyond a single reporting period. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

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

Furniture and equipment	5 years
-------------------------	---------

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB’s Fiduciary Net Position have been determined on the economic resources measurement focus and accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 2. RECEIVABLES

Receivables as of June 30, 2015 are as follows:

Due from other governments:	
Dual Credit Instructional Materials	\$ 2,055
Public School Capital Outlay	65,005
Special Capital Outlay - State	3,778
HB 33 Capital Improvements	3,502
Total due from other governments	\$ <u>74,340</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque Institute for Mathematics & Science
Notes to the Financial Statements
June 30, 2015

NOTE 3. CAPITAL ASSETS

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

	Balance			Balance
	June 30, 2014	Additions	Deletions	June 30, 2015
<i>Capital Assets being Depreciated:</i>				
Furniture and equipment	\$ 77,553	-	-	77,553
<i>Total</i>	<u>77,553</u>	-	-	<u>77,553</u>
<i>Less: Accumulated Depreciation</i>	(20,241)	(9,028)	-	(29,269)
Capital assets, net	<u>\$ 57,312</u>	<u>(9,028)</u>	-	<u>48,284</u>

Depreciation expensed for the year ended June 30, 2015 was expensed to the following functions:

Instruction	\$ 1,139
General Administration	1,379
Operation & Maintenance of Plant	<u>6,510</u>
Total	<u>\$ 9,028</u>

NOTE 4. COMMITMENTS AND LIABILITIES

AIMS leased buildings and equipment under short-term cancelable operating leases. Rental expense for the year ended June 30, 2015 was \$295,343. AIMS' minimum future payments on these leases are as follows:

Year Ending June 30:	
2016	\$ 31,172
2017	<u>11,970</u>
Total minimum lease payments	<u>\$ 43,142</u>

NOTE 5. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to the Albuquerque Institute for Mathematics & Science Charter High School and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque Institute for Mathematics & Science
Notes to the Financial Statements
June 30, 2015

NOTE 5. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Contributions. The contribution requirements of defined benefit plan members and AIMS are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year ended June 30, 2014 employers contributed 13.15% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.10% of their gross annual salary. For fiscal year ended June 30, 2015 employers contributed 13.90%, and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 contributed an increased amount of 10.70% of their gross annual salary. Contributions to the pension plan from AIMS were \$218,153 for the year ended June 30, 2015.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2013. The total ERB pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2014, using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date June 30, 2014. At June 30, 2015, AIMS reported a liability of \$2,747,871 for its proportionate share of the net pension liability. AIMS' proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2014. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2014, AIMS' proportion was 0.04816% percent, which was an increase of 0.00117% from its proportion measured as of June 30, 2013.

For the year ended June 30, 2015, AIMS recognized pension expense of \$209,154. At the June 30, 2015, AIMS reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	40,933
Changes in assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	249,790
Changes in proportion and differences between AIMS contributions and proportionate share of contributions	54,503	-
AIMS contributions subsequent to the measurement date	<u>218,153</u>	<u>-</u>
Total	<u>\$ 272,656</u>	<u>290,723</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque Institute for Mathematics & Science
Notes to the Financial Statements
June 30, 2015

NOTE 5. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

\$218,153 reported as deferred outflows of resources related to pensions resulting from AIMS' contributions subsequent to the measurement date June 30, 2014 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2016	\$	57,737
2017		57,737
2018		58,303
2019		62,443
	\$	<u>236,220</u>

Sensitivity of AIMS' proportionate share of the net pension liability to changes in the discount rate.

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

	<u>1% Decrease (6.75%)</u>	<u>Current Discount Rate (7.75%)</u>	<u>1% Increase (8.75%)</u>
AIMS' proportionate share of the net pension liability	<u>\$ 3,738,798</u>	<u>2,747,871</u>	<u>1,920,145</u>

Payables to the pension plan. AIMS accrued \$54,353 in ERB benefits at June 30, 2015, for teachers with 10 month contracts.

NOTE 6. OVERSPENT BUDGET LINE ITEMS

As stated in the finding, 2015-01, AIMS had expended in excess of the budget.

HB 33 Capital Improvements (31600)		
Support Services – General Administration	\$	(18)

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque Institute for Mathematics & Science
Notes to the Financial Statements
June 30, 2015**

NOTE 7. DEFICIENT FUND BALANCE

The following fund had a deficient fund balance at June 30, 2015:

SB-9 Capital Improvements (31700)	\$	(8,574)
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AIMS is addressing the negative fund balances and is planning on taking the appropriate actions to eliminate the negative balance.

NOTE 8. RESTATEMENT

As a result of implementation of GASB 68, *Accounting and Financial Reporting for Pensions*, net position at June 30, 2014 was restated in the amount of \$(2,774,937).

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
ALBUQUERQUE INSTITUTE FOR MATHEMATICS & SCIENCE
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2015

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.05%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 2,748	-	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 1,327	-	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	207.08%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30, 2014

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
ALBUQUERQUE INSTITUTE FOR MATHEMATICS & SCIENCE
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2015

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 175	-	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	175	-	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ -	-	-	-	-	-	-	-	-	-

Year	Total Amount Deferred	Amortization Years	Increase (Decrease) in Pension Expense over Recognition Periods											
			2015	2016	2017	2018	2019	2020	2021	2022	2023	2024		
2014	\$ 236	5	\$ 58	58	58	58	62	-	-	-	-	-	-	-
2015	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2016	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2017	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2018	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2019	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2020	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2021	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2022	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2023	-	5	-	-	-	-	-	-	-	-	-	-	-	-
	\$ 236		\$ 58	58	58	58	62	-	-	-	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque Institute for Mathematics & Science
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
Revenues:				
Local & county grant	\$ -	97,142	98,921	1,779
State grant	2,588,002	2,795,356	2,795,356	-
Charges for services	-	-	4,049	4,049
Total Revenues	2,588,002	2,892,498	2,898,326	5,828
Expenditures:				
Current:				
Instruction	2,056,135	2,263,265	1,618,328	644,937
Support Services:				
Students	282,829	320,181	265,283	54,898
Instruction	40,000	40,627	33,284	7,343
General Administration	66,000	67,968	61,179	6,789
School Administration	434,246	441,602	341,959	99,643
Central Services	189,900	239,229	209,351	29,878
Operation & Maintenance of Plant	492,892	449,233	94,286	354,947
Other Support Services Operations	-	44,393	44,270	123
Food Services Operations	1,000	1,000	-	1,000
Total expenditures	3,563,002	3,867,498	2,667,940	1,199,558
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<i>(975,000)</i>	<i>(975,000)</i>	<i>230,386</i>	<i>1,205,386</i>
Other financing sources (uses):				
Designated Cash	975,000	975,000	-	(975,000)
Total other financing sources (uses):	975,000	975,000	-	(975,000)
Net changes in fund balances	-	-	230,386	230,386
Cash or fund balances - beginning of year	-	-	1,229,713	1,229,713
Cash or fund balances - end of year	\$ -	-	1,460,099	1,460,099
Reconciliation to GAAP Basis:				
Excess revenues over (under) expenditures				
Adjustments to revenues			\$	(36,827)
Adjustments to expenditures				(38,317)
NET CHANGE IN FUND BALANCE			\$	155,242

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque Institute for Mathematics & Science
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
Revenues:				
State grant	\$ 17,385	26,254	29,734	3,480
Total Revenues	<u>17,385</u>	<u>26,254</u>	<u>29,734</u>	<u>3,480</u>
Expenditures:				
Current:				
Instruction	76,385	85,254	25,085	60,169
Total expenditures	<u>76,385</u>	<u>85,254</u>	<u>25,085</u>	<u>60,169</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(59,000)</u>	<u>(59,000)</u>	<u>4,649</u>	<u>63,649</u>
Other financing sources (uses):				
Designated Cash	59,000	59,000	-	(59,000)
Total other financing sources (uses):	<u>59,000</u>	<u>59,000</u>	<u>-</u>	<u>(59,000)</u>
Net changes in fund balances	<u>-</u>	<u>-</u>	<u>4,649</u>	<u>4,649</u>
Cash or fund balances - beginning of year	<u>-</u>	<u>-</u>	<u>55,117</u>	<u>55,117</u>
Cash or fund balances - end of year	<u>\$ -</u>	<u>-</u>	<u>59,766</u>	<u>59,766</u>
Reconciliation to GAAP Basis:				
Excess revenues over (under) expenditures				
Adjustments to revenues			\$ (3,481)	
Adjustments to expenditures			<u>(4,855)</u>	
NET CHANGE IN FUND BALANCE			<u>\$ (3,687)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque Institute for Mathematics & Science
Schedule of Budgetary Comparisons - Budgetary Basis
Daniels Fund 26141
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
Revenues:				
Property taxes	\$ -	-	-	-
Local & county grant	-	-	-	-
State grant	-	-	-	-
Federal grant	-	-	-	-
Charges for services	-	-	-	-
Total Revenues	-	-	-	-
Expenditures:				
Current:				
Instruction	175,000	175,000	-	175,000
Total expenditures	175,000	175,000	-	175,000
<i>Excess (deficiency) of revenues over (under) expenditures</i>	(175,000)	(175,000)	-	175,000
Other financing sources (uses):				
Designated Cash	175,000	175,000	-	(175,000)
Total other financing sources (uses):	175,000	175,000	-	(175,000)
Net changes in fund balances	-	-	-	-
Cash or fund balances - beginning of year	-	-	175,000	175,000
Cash or fund balances - end of year	\$ -	-	175,000	175,000
Reconciliation to GAAP Basis:				
Excess revenues over (under) expenditures				
Adjustments to revenues			\$ -	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque Institute for Mathematics & Science
Schedule of Budgetary Comparisons - Budgetary Basis
Dual Credit Instructional Materials 27103
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>		
Revenues:				
State grant	\$ -	7,234	8,584	1,350
Total Revenues	<u>-</u>	<u>7,234</u>	<u>8,584</u>	<u>1,350</u>
Expenditures:				
Current:				
Instruction	-	7,234	7,234	-
Total expenditures	<u>-</u>	<u>7,234</u>	<u>7,234</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>1,350</u>	<u>1,350</u>
Net changes in fund balances	<u>-</u>	<u>-</u>	<u>1,350</u>	<u>1,350</u>
Cash or fund balances - beginning of year	<u>-</u>	<u>-</u>	<u>(3,405)</u>	<u>(3,405)</u>
Cash or fund balances - end of year	<u>\$ -</u>	<u>-</u>	<u>(2,055)</u>	<u>(2,055)</u>
Reconciliation to GAAP Basis:				
Excess revenues over (under) expenditures				
Adjustments to revenues			\$ (1,350)	
Adjustments to expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque Institute for Mathematics & Science
Schedule of Budgetary Comparisons - Budgetary Basis
2010 G.O. Bond Student Library 27106
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
Revenues:				
State grant	\$ -	-	2,238	2,238
Total Revenues	<u>-</u>	<u>-</u>	<u>2,238</u>	<u>2,238</u>
Expenditures:				
Current:				
Support Services:				
Instruction	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>2,238</u>	<u>2,238</u>
Net changes in fund balances	<u>-</u>	<u>-</u>	<u>2,238</u>	<u>2,238</u>
Cash or fund balances - beginning of year	<u>-</u>	<u>-</u>	<u>(2,238)</u>	<u>(2,238)</u>
Cash or fund balances - end of year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
Excess revenues over (under) expenditures				
Adjustments to revenues			\$ (2,238)	
Adjustments to expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque Institute for Mathematics & Science
Schedule of Budgetary Comparisons - Budgetary Basis
2012 G.O. Bond Student Library Fund 27107
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
Revenues:				
State grant	\$ -	3,360	3,360	-
Total Revenues	<u>-</u>	<u>3,360</u>	<u>3,360</u>	<u>-</u>
Expenditures:				
Current:				
Support Services:				
Instruction	-	3,360	3,360	-
Total expenditures	<u>-</u>	<u>3,360</u>	<u>3,360</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or fund balances - beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or fund balances - 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			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque Institute for Mathematics & Science
Schedule of Budgetary Comparisons - Budgetary Basis
Public School Capital Outlay 31200
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>		
Revenues:				
State grant	\$ -	260,018	239,877	(20,141)
Total Revenues	<u>-</u>	<u>260,018</u>	<u>239,877</u>	<u>(20,141)</u>
Expenditures:				
Current:				
Capital outlay	-	260,018	260,018	-
Total expenditures	<u>-</u>	<u>260,018</u>	<u>260,018</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(20,141)</u>	<u>(20,141)</u>
Net changes in fund balances	<u>-</u>	<u>-</u>	<u>(20,141)</u>	<u>(20,141)</u>
Cash or fund balances - beginning of year	<u>-</u>	<u>-</u>	<u>(44,864)</u>	<u>(44,864)</u>
Cash or fund balances - end of year	<u>\$ -</u>	<u>-</u>	<u>(65,005)</u>	<u>(65,005)</u>
Reconciliation to GAAP Basis:				
Excess revenues over (under) expenditures				
Adjustments to revenues			\$ 20,141	
Adjustments to expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque Institute for Mathematics & Science
Schedule of Budgetary Comparisons - Budgetary Basis
Special Capital Outlay - State 31400
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
Revenues:				
State grant	\$ 50,000	53,778	27,510	(26,268)
Total Revenues	<u>50,000</u>	<u>53,778</u>	<u>27,510</u>	<u>(26,268)</u>
Expenditures:				
Current:				
Capital outlay	50,000	53,778	3,778	50,000
Total expenditures	<u>50,000</u>	<u>53,778</u>	<u>3,778</u>	<u>50,000</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	23,732	23,732
Net changes in fund balances	<u>-</u>	<u>-</u>	<u>23,732</u>	<u>23,732</u>
Cash or fund balances - beginning of year	<u>-</u>	<u>-</u>	<u>(27,510)</u>	<u>(27,510)</u>
Cash or fund balances - end of year	<u>\$ -</u>	<u>-</u>	<u>(3,778)</u>	<u>(3,778)</u>
Reconciliation to GAAP Basis:				
Excess revenues over (under) expenditures				
Adjustments to revenues			\$ (23,732)	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque Institute for Mathematics & Science
Schedule of Budgetary Comparisons - Budgetary Basis
HB 33 Capital Improvements 31600
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
Revenues:				
Property Taxes	\$ 200,486	200,486	201,838	1,352
Total Revenues	<u>200,486</u>	<u>200,486</u>	<u>201,838</u>	<u>1,352</u>
Expenditures:				
Current:				
Support Services:				
General Administration	-	2,000	2,018	(18)
Capital outlay	818,486	816,486	-	816,486
Total expenditures	<u>818,486</u>	<u>818,486</u>	<u>2,018</u>	<u>816,468</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(618,000)</u>	<u>(618,000)</u>	<u>199,820</u>	<u>817,820</u>
Other financing sources (uses):				
Designated Cash	618,000	618,000	-	(618,000)
Total other financing sources (uses):	<u>618,000</u>	<u>618,000</u>	<u>-</u>	<u>(618,000)</u>
Net changes in fund balances	<u>-</u>	<u>-</u>	<u>199,820</u>	<u>199,820</u>
Cash or fund balances - beginning of year	<u>-</u>	<u>-</u>	<u>625,054</u>	<u>625,054</u>
Cash or fund balances - end of year	<u>\$ -</u>	<u>-</u>	<u>824,874</u>	<u>824,874</u>
Reconciliation to GAAP Basis:				
Excess revenues over (under) expenditures				
Adjustments to revenues			\$ 531	
Adjustments to expenditures			(35)	
NET CHANGE IN FUND BALANCE			<u>\$ 200,316</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque Institute for Mathematics & Science
Schedule of Budgetary Comparisons - Budgetary Basis
SB-9 Capital Improvements 31700
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
Revenues:				
State grant	\$ 4,032	12,605	14,061	1,456
Total Revenues	<u>4,032</u>	<u>12,605</u>	<u>14,061</u>	<u>1,456</u>
Expenditures:				
Current:				
Capital outlay	4,032	12,605	4,031	8,574
Total expenditures	<u>4,032</u>	<u>12,605</u>	<u>4,031</u>	<u>8,574</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>10,030</u>	<u>10,030</u>
Net changes in fund balances	<u>-</u>	<u>-</u>	<u>10,030</u>	<u>10,030</u>
Cash or fund balances - beginning of year	<u>-</u>	<u>-</u>	<u>(10,030)</u>	<u>(10,030)</u>
Cash or fund balances - end of year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
Excess revenues over (under) expenditures				
Adjustments to revenues			\$ (10,030)	
Adjustments to expenditures			<u>(8,574)</u>	
NET CHANGE IN FUND BALANCE			<u>\$ (8,574)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque Institute for Mathematics & Science
Schedule of Collateral Pledged by Depository
For Public Funds
June 30, 2015

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2015</u>
New Mexico Bank & Trust	Municipal Bond	412707EB3	8/15/2026	\$ 1,810,516
				<u>\$ 1,810,516</u>

Total cash in bank per Schedule of Cash Accounts:	\$ 2,488,723
Less: FDIC coverage:	<u>(250,000)</u>
Uninsured public funds:	2,238,723
Collateral requirement:	1,119,362
Pledged collateral held by pledging financial institution:	<u>1,810,516</u>
Balance over-collateralized:	<u>\$ 691,154</u>
Balance uninsured and uncollateralized at June 30, 2015:	<u>\$ 428,207</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Albuquerque Institute for Mathematics & Science
 Schedule of Cash Accounts
 June 30, 2015

<u>Bank Account Type</u>	<u>New Mexico Bank & Trust</u>
Checking - Operational Account	\$ 2,488,723
<i>Total on Deposit</i>	2,488,723
Reconciling Items	<u>(12,756)</u>
Reconciled Balance June 30, 2015	<u>2,475,967</u>
Less Agency Funds	<u>(27,066)</u>
<i>Total Cash</i>	<u><u>\$ 2,448,901</u></u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque Institute for Mathematics & Science
Cash Reconciliation
June 30, 2015

	Operational 11000	Instructional Materials 14000	Local Grants 26000	State Flowthrough 27000
Cash, June 30, 2014	\$ 1,043,401	55,117	175,000	(5,643)
Add:				
2014-15 revenues	<u>2,898,326</u>	<u>29,734</u>	<u>-</u>	<u>14,182</u>
Total cash available	3,941,727	84,851	175,000	8,539
Less:				
2014-15 expenditures	(2,667,940)	(25,085)	-	(10,594)
Receivables/Payables	186,312	-	-	-
Outstanding Loans	<u>(70,838)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash June 30, 2015	<u>1,389,261</u>	<u>59,766</u>	<u>175,000</u>	<u>(2,055)</u>
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	-	-	-	2,055
Cash per Books	<u>1,389,261</u>	<u>59,766</u>	<u>175,000</u>	<u>-</u>
Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	<u>(127,565)</u>	<u>(355)</u>	<u>(175,000)</u>	<u>-</u>
Fund Balance , Modified Accrual Basis	<u>\$ 1,261,696</u>	<u>59,411</u>	<u>-</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements

Public School Capital Outlay 31200	Special Capital Outlay - State 31400	Capital Improv. HB 33 31600	Capital Improv. SB9 31700	Total
(44,864)	(27,510)	625,054	(10,030)	1,810,525
239,877	27,510	201,838	14,061	3,425,528
195,013	-	826,892	4,031	5,236,053
(260,018)	(3,778)	(2,018)	(4,031)	(2,973,464)
-	-	-	-	186,312
-	-	-	-	(70,838)
(65,005)	(3,778)	824,874	-	2,378,063
65,005	3,778	-	-	70,838
-	-	824,874	-	2,448,901
-	-	3,467	(8,574)	(308,027)
-	-	828,341	(8,574)	2,140,874

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque School of Excellence
Statement of Net Position
June 30, 2015

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 463,067
Receivables	
Due from Other Governments	72,458
Other Receivables	435
Total Current Assets	<u>535,960</u>

Noncurrent Assets:

Capital Assets	
Furniture, Fixtures, and Equipment	61,562
Less: Accumulated Depreciation	<u>(33,799)</u>
Total capital assets	<u>27,763</u>

Total Assets	<u>563,723</u>
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Deferred Outflows - Pension Related	<u>267,554</u>
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LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accounts Payable	9,601
Accrued Liabilities	<u>165,758</u>
Total Current Liabilities	<u>175,359</u>

Noncurrent Liabilities:

Net Pension Liability	<u>2,037,507</u>
Total Noncurrent Liabilities	<u>2,037,507</u>

Total Liabilities	<u>2,212,866</u>
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Deferred Inflows - Pension Related	<u>215,545</u>
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NET POSITION

Investment in Capital Assets	27,763
Restricted	207,878
Unrestricted Deficit	<u>(1,832,775)</u>
Total Net Position	<u>\$ (1,597,134)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque School of Excellence
Statement of Activities
For The Year Ended June 30, 2015

Functions/Programs	Program Revenues				Net (Expenses) Revenues and Changes in Net Position
	Expenses	Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 1,323,352	15,166	88,520	-	(1,219,666)
Support Services:					
Students	82,285	-	-	-	(82,285)
Instruction	10,201	-	-	-	(10,201)
General Administration	28,402	-	-	-	(28,402)
School Administration	282,394	-	-	-	(282,394)
Central Services	100,430	-	-	-	(100,430)
Operation & Maintenance of Plant	541,017	-	-	-	(541,017)
Food Services	54,579	13,251	40,865	-	(463)
Facilities Materials, Supplies & Other Services	209,406	-	-	209,406	-
Total Governmental Activities	\$ 2,632,066	28,417	129,385	209,406	(2,264,858)
General Revenues:					
Property Taxes					\$ 89,015
State Equalization Guarantee					2,219,571
Total General Revenues					2,308,586
Change in Net Position					43,728
Net Position, Beginning					297,315
Restatement Recognized by GASB 68					(1,938,177)
Net Position, Beginning, as Restated					(1,640,862)
Net Position, Ending					\$ (1,597,134)

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque School of Excellence
Balance Sheets - Governmental Funds
June 30, 2015

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101
ASSETS				
Cash and Cash Equivalents	\$ 250,733	35,614	-	-
Accounts Receivable				
Due from Other Governments	-	-	-	4,204
Due from Other Funds	65,750	-	-	-
Other Receivables	435	-	-	-
Total Assets	<u>\$ 316,918</u>	<u>35,614</u>	<u>-</u>	<u>4,204</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 3,777	5,824	-	-
Accrued Expenditures	160,418	-	-	-
Due to Other Funds	-	-	-	4,204
Total Liabilities	<u>164,195</u>	<u>5,824</u>	<u>-</u>	<u>4,204</u>
Fund Balances				
Fund Balance:				
Restricted for:				
Instruction	-	29,790	-	-
Capital Improvements	-	-	-	-
Assigned to:				
Subsequent Years Expenditures and Other Programs	152,723	-	-	-
Total Fund Balance	<u>152,723</u>	<u>29,790</u>	<u>-</u>	<u>-</u>
Total Liabilities and Fund Balances	<u>\$ 316,918</u>	<u>35,614</u>	<u>-</u>	<u>4,204</u>

The accompanying notes are an integral part of these financial statements

IDEA-B Entitlement 24106	IDEA-B Risk Pool 24120	Teacher Principal Training 24154	CNM Foundation 26207	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Total
-	-	-	-	-	176,720	463,067
14,475	59	-	-	52,352	1,368	72,458
-	-	-	-	-	-	65,750
-	-	-	-	-	-	435
<u>14,475</u>	<u>59</u>	<u>-</u>	<u>-</u>	<u>52,352</u>	<u>178,088</u>	<u>601,710</u>
-	-	-	-	-	-	9,601
5,340	-	-	-	-	-	165,758
9,135	59	-	-	52,352	-	65,750
<u>14,475</u>	<u>59</u>	<u>-</u>	<u>-</u>	<u>52,352</u>	<u>-</u>	<u>241,109</u>
-	-	-	-	-	-	29,790
-	-	-	-	-	178,088	178,088
-	-	-	-	-	-	152,723
-	-	-	-	-	178,088	360,601
<u>14,475</u>	<u>59</u>	<u>-</u>	<u>-</u>	<u>52,352</u>	<u>178,088</u>	<u>601,710</u>

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STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Albuquerque School of Excellence
 Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
 June 30, 2015

Fund Balances - Total Governmental Funds **\$ 360,601**

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

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

Capital Assets	61,562	
Accumulated Depreciation	(33,799)	
	27,763	27,763

Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds.		267,554
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Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds.		(215,545)
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The net pension liability is not due and payable in the current period and, therefore, is not reported in the funds.		(2,037,507)
		(2,037,507)

Net Position-Total Governmental Activities		\$ (1,597,134)
		(1,597,134)

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque School of Excellence
Statement of Revenues, Expenditures, and Changes In Fund Balances
Governmental Funds
For The Year Ended June 30, 2015

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101
REVENUES				
Property Taxes	\$ -	-	-	-
Local & County Grant	1,493	-	-	-
State Grant	2,219,571	21,984	-	-
Federal Grant	-	-	40,865	21,529
Charges for Services	15,166	-	13,251	-
Total Revenues	2,236,230	21,984	54,116	21,529
EXPENDITURES				
Current:				
Instruction	1,185,521	34,099	-	21,529
Support Services:				
Students	81,611	-	-	-
Instruction	10,201	-	-	-
General Administration	28,402	-	-	-
School Administration	273,497	-	-	-
Central Services	99,669	-	-	-
Operation & Maintenance of Plant	538,330	-	-	-
Food Services Operations	463	-	54,116	-
Capital Outlay	-	-	-	-
Total Expenditures	2,217,694	34,099	54,116	21,529
Net Changes in Fund Balances	18,536	(12,115)	-	-
Fund Balances - Beginning of Year	134,187	41,905	-	-
Fund Balances - End of Year	\$ 152,723	29,790	-	-

The accompanying notes are an integral part of these financial statements

IDEA-B Entitlement 24106	IDEA-B Risk Pool 24120	Teacher Principal Training 24154	CNM Foundation 26207	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Total
-	-	-	-	-	89,015	89,015
-	-	-	500	-	-	1,993
-	-	-	-	209,406	-	2,450,961
41,784	59	1,171	-	-	-	105,408
-	-	-	-	-	-	28,417
<u>41,784</u>	<u>59</u>	<u>1,171</u>	<u>500</u>	<u>209,406</u>	<u>89,015</u>	<u>2,675,794</u>
41,784	-	458	500	-	-	1,283,891
-	59	-	-	-	-	81,670
-	-	-	-	-	-	10,201
-	-	-	-	-	-	28,402
-	-	331	-	-	-	273,828
-	-	382	-	-	-	100,051
-	-	-	-	-	-	538,330
-	-	-	-	-	-	54,579
-	-	-	-	209,406	-	209,406
<u>41,784</u>	<u>59</u>	<u>1,171</u>	<u>500</u>	<u>209,406</u>	<u>-</u>	<u>2,580,358</u>
-	-	-	-	-	89,015	95,436
-	-	-	-	-	89,073	265,165
-	-	-	-	-	178,088	360,601

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque School of Excellence
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2015

Net Change in Fund Balances-Total Governmental Funds	\$ 95,436
<p>Amounts reported for governmental activities in the Statement of Activities are different because:</p>	
<p>Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the Statement of Net Position and allocated over their estimated useful lives as annual depreciation expenses in the Statement of Activities. This is the amount by which capital outlay exceeds depreciation for the period</p>	
Depreciation Expense	(4,387)
<p>Changes in long-term liabilities</p>	
Change in Net Pension Liability	<u>(47,321)</u>
Change in Net Position-Total Governmental Activities	<u><u>\$ 43,728</u></u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque School of Excellence
Statement of Fiduciary Assets and Liabilities- Agency Funds
June 30, 2015

	<u>Agency</u>
ASSETS	
Cash in Bank	\$ 21,157
Total Assets	<u>\$ 21,157</u>
LIABILITIES	
Deposits Held for Others	\$ 21,157
Total Liabilities	<u>\$ 21,157</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Albuquerque School of Excellence
 Schedule of Changes in Assets and Liabilities - Agency Funds
 For The Year Ended June 30, 2015

	<u>Balance July 1, 2014</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2015</u>
ASSETS				
Cash in Bank	\$ 19,564	35,064	(33,471)	21,157
Total Assets	<u>\$ 19,564</u>	<u>35,064</u>	<u>(33,471)</u>	<u>21,157</u>
LIABILITIES				
Deposits Held for Others	\$ 19,564	35,064	(33,471)	21,157
Total Liabilities	<u>\$ 19,564</u>	<u>35,064</u>	<u>(33,471)</u>	<u>21,157</u>

The accompanying notes are an integral part of these financial statements

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Capital Assets. Capital assets purchased or acquired are 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. Albuquerque School of Excellence's capitalization policy (i.e., the dollar value above which the asset acquisitions are added to the capital accounts) is \$5,000. Albuquerque School of Excellence does not capitalize any interest with regard to its capital assets.

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

Furniture, Fixtures and Equipment	3-20 years
-----------------------------------	------------

Capital assets for Albuquerque School of Excellence are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB's Fiduciary Net Position have been determined on the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque School of Excellence
Notes to the Financial Statements
June 30, 2015

NOTE 2. CAPITAL ASSETS

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

	<u>Balance</u> <u>June 30, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2015</u>
<i>Capital Assets being Depreciated:</i>				
Furniture, Fixtures and Equipment	\$ 61,562	-	-	61,562
<i>Total</i>	<u>61,562</u>	<u>-</u>	<u>-</u>	<u>61,562</u>
<i>Less: Accumulated Depreciation</i>				
Furniture, Fixtures and Equipment	(29,412)	(4,387)	-	(33,799)
<i>Total</i>	<u>(29,412)</u>	<u>(4,387)</u>	<u>-</u>	<u>(33,799)</u>
Capital Assets, Net	<u>\$ 32,150</u>	<u>(4,387)</u>	<u>-</u>	<u>27,763</u>

Depreciation expensed for the year ended June 30, 2015 was expensed to the following functions:

Instruction	\$ 1,700
Operations and Maintenance of Plant	<u>2,687</u>
Total	<u>\$ 4,387</u>

NOTE 3. COMMITMENTS AND LIABILITIES

Albuquerque School of Excellence leases equipment and facilities under short-term cancelable operating leases. Rental expenses for the year ended June 30, 2015 was \$577,952. Albuquerque School of Excellence's minimum future payments on these leases are as follows:

Year Ending June 30:	
2016	<u>\$ 538,956</u>

NOTE 4. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to Albuquerque School of Excellence and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions. The contribution requirements of defined benefit plan members and Albuquerque School of Excellence are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year ended June 30, 2014, employers contributed 13.15% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.10% of their gross annual salary. For fiscal year ended June 30, 2015 employers contributed 13.90% and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 contributed an increased amount of 10.70% of their gross annual salary. Contributions to the pension plan from Albuquerque School of Excellence were \$138,505 for the year ended June 30, 2015.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2013. The total ERB pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2014, using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date of June 30, 2014. At June 30, 2015, Albuquerque School of Excellence reported a liability of \$2,037,507 for its proportionate share of the net pension liability. Albuquerque School of Excellence's proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2014. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2014, Albuquerque School of Excellence's proportion was 0.03571%, which was an increase of 0.00277% from its proportion measured as of June 30, 2013.

For the year ended June 30, 2015, Albuquerque School of Excellence recognized pension expense of \$185,826. At June 30, 2015, Albuquerque School of Excellence reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque School of Excellence
Notes to the Financial Statements
June 30, 2015

NOTE 4. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	30,348
Net difference between projected and actual earnings on pension plan investments	-	185,197
Changes in proportion and differences between Albuquerque School of Excellence contributions and proportionate share of contributions	129,049	-
Albuquerque School of Excellence contributions subsequent to the measurement date	<u>138,505</u>	<u>-</u>
Total	<u>\$ 267,554</u>	<u>215,545</u>

The amount of \$138,505 reported as deferred outflows of resources related to pensions resulting from Albuquerque School of Excellence contributions subsequent to the measurement date of June 30, 2014 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2016	\$	12,035
2017		12,035
2018		16,148
2019		<u>46,278</u>
Total	\$	<u>86,496</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque School of Excellence
Notes to the Financial Statements
June 30, 2015

NOTE 4. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Sensitivity of Albuquerque School of Excellence’s proportionate share of the net pension liability to changes in the discount rate. The following table shows the sensitivity of the net pension liability to changes in the discount rate as of June 30, 2014. In particular, the table presents the (employer’s) net pension liability under the current single rate assumption, as if it were calculated using a discount rate one percentage point lower (6.75%) or one percentage point higher (8.75%) than the single discount rate.

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
The School’s proportionate share of the net pension liability	<u>\$ 2,772,266</u>	<u>2,037,507</u>	<u>1,423,621</u>

Payables to the pension plan. At June 30, 2015, Albuquerque School of Excellence owed \$40,798 to ERB for fiscal year 2015 contributions.

NOTE 5. RESTATEMENT

As a result of implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, net position at June 30, 2014 was restated in the amount of \$(1,938,177).

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
ALBUQUERQUE SCHOOL OF EXCELLENCE
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2015

**New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data***
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.04%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 2,038	-	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 984	-	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	207.03%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30, 2014

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
ALBUQUERQUE SCHOOL OF EXCELLENCE
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2015

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 129	-	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	129	-	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ -	-	-	-	-	-	-	-	-	-

Year	Total Amount Deferred	Amortization Years	Increase (Decrease) in Pension Expense over Recognition Periods											
			2015	2016	2017	2018	2019	2020	2021	2022	2023	2024		
2014	\$ 86	5	\$ 12	12	12	16	46	-	-	-	-	-	-	-
2015	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2016	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2017	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2018	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2019	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2020	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2021	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2022	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2023	-	5	-	-	-	-	-	-	-	-	-	-	-	-
	\$ 86		\$ 12	12	12	16	46	-	-	-	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque School of Excellence
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Local & County Grant	\$ -	-	1,493	1,493
State Grant	2,435,625	2,218,746	2,219,571	825
Charges for Services	-	-	15,166	15,166
Total Revenues	2,435,625	2,218,746	2,236,230	17,484
EXPENDITURES				
Current:				
Instruction	1,429,053	1,234,674	1,185,300	49,374
Support Services:				
Students	79,174	99,174	81,612	17,562
Instruction	12,200	17,200	10,651	6,549
General Administration	37,200	37,200	28,176	9,024
School Administration	271,181	286,181	273,497	12,684
Central Services	115,910	108,410	99,332	9,078
Operation & Maintenance of Plant	538,003	574,465	553,393	21,072
Food Services Operations	10,000	15,000	463	14,537
Total Expenditures	2,492,721	2,372,304	2,232,424	139,880
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<i>(57,096)</i>	<i>(153,558)</i>	<i>3,806</i>	<i>157,364</i>
Other Financing Sources (Uses):				
Designated Cash	57,096	153,558	-	(153,558)
Total Other Financing Sources (Uses):	57,096	153,558	-	(153,558)
Net Changes in Fund Balances	-	-	3,806	3,806
Cash or Fund Balances - Beginning of Year	-	-	134,187	134,187
Cash or Fund Balances - End of Year	\$ -	-	137,993	137,993
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 3,806	
Adjustments to Revenues			-	
Adjustments to Expenditures			14,730	
NET CHANGE IN FUND BALANCE			\$ 18,536	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque School of Excellence
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 15,323	21,984	21,984	-
Total Revenues	<u>15,323</u>	<u>21,984</u>	<u>21,984</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	38,561	45,222	28,275	16,947
Total Expenditures	<u>38,561</u>	<u>45,222</u>	<u>28,275</u>	<u>16,947</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(23,238)</u>	<u>(23,238)</u>	<u>(6,291)</u>	<u>16,947</u>
Other Financing Sources (Uses):				
Designated Cash	23,238	23,238	-	(23,238)
Total Other Financing Sources (Uses):	<u>23,238</u>	<u>23,238</u>	<u>-</u>	<u>(23,238)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(6,291)</u>	<u>(6,291)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>41,905</u>	<u>41,905</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>35,614</u>	<u>35,614</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (6,291)	
Adjustments to Revenues			-	
Adjustments to Expenditures			(5,824)	
NET CHANGE IN FUND BALANCE			<u>\$ (12,115)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Albuquerque School of Excellence
 Schedule of Budgetary Comparisons - Budgetary Basis
 Food Services 21000
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 49,000	53,102	40,865	(12,237)
Charges for Services	13,000	15,133	13,251	(1,882)
Total Revenues	<u>62,000</u>	<u>68,235</u>	<u>54,116</u>	<u>(14,119)</u>
EXPENDITURES				
Current:				
Food Services Operations	62,000	68,235	54,116	14,119
Total Expenditures	<u>62,000</u>	<u>68,235</u>	<u>54,116</u>	<u>14,119</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
Net Changes in Fund Balances	-	-	-	-
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque School of Excellence
Schedule of Budgetary Comparisons - Budgetary Basis
Title I IASA 24101
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 54,330	54,334	56,938	2,604
Total Revenues	<u>54,330</u>	<u>54,334</u>	<u>56,938</u>	<u>2,604</u>
EXPENDITURES				
Current:				
Instruction	54,330	54,334	21,529	32,805
Total Expenditures	<u>54,330</u>	<u>54,334</u>	<u>21,529</u>	<u>32,805</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	35,409	35,409
Net Changes in Fund Balances	-	-	35,409	35,409
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>35,409</u>	<u>35,409</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 35,409	
Adjustments to Revenues			(35,409)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque School of Excellence
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Entitlement 24106
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 43,443	50,292	48,304	(1,988)
Total Revenues	<u>43,443</u>	<u>50,292</u>	<u>48,304</u>	<u>(1,988)</u>
EXPENDITURES				
Current:				
Instruction	43,443	50,292	41,784	8,508
Total Expenditures	<u>43,443</u>	<u>50,292</u>	<u>41,784</u>	<u>8,508</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>6,520</u>	<u>6,520</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>6,520</u>	<u>6,520</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>6,520</u>	<u>6,520</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 6,520	
Adjustments to Revenues			(6,520)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Albuquerque School of Excellence
 Schedule of Budgetary Comparisons - Budgetary Basis
 IDEA-B Risk Pool 24120
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ -	59	668	609
Total Revenues	<u>-</u>	<u>59</u>	<u>668</u>	<u>609</u>
EXPENDITURES				
Current:				
Support Services:				
Students	-	59	59	-
Total expenditures	<u>-</u>	<u>59</u>	<u>59</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	-	-	609	609
Net changes in Fund Balances	<u>-</u>	<u>-</u>	<u>609</u>	<u>609</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>609</u>	<u>609</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ 609	
Adjustments to Revenues			(609)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque School of Excellence
Schedule of Budgetary Comparisons - Budgetary Basis
Teacher Principal Training 24154
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 8,620	12,287	2,704	(9,583)
Total Revenues	<u>8,620</u>	<u>12,287</u>	<u>2,704</u>	<u>(9,583)</u>
EXPENDITURES				
Current:				
Instruction	4,310	4,310	458	3,852
Support Services:				
School Administration	4,310	6,310	331	5,979
Central Services	-	1,667	382	1,285
Total expenditures	<u>8,620</u>	<u>12,287</u>	<u>1,171</u>	<u>11,116</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	1,533	1,533
Net changes in Fund Balances	-	-	1,533	1,533
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>1,533</u>	<u>1,533</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 1,533	
Adjustments to Revenues			(1,533)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Albuquerque School of Excellence
 Schedule of Budgetary Comparisons - Budgetary Basis
 CNM Foundation 26207
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Local & County Grant	\$ -	500	500	-
Total Revenues	<u>-</u>	<u>500</u>	<u>500</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	-	500	500	-
Total Expenditures	<u>-</u>	<u>500</u>	<u>500</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque School of Excellence
Schedule of Budgetary Comparisons - Budgetary Basis
Public School Capital Outlay 31200
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	209,406	213,938	4,532
Total Revenues	<u>-</u>	<u>209,406</u>	<u>213,938</u>	<u>4,532</u>
EXPENDITURES				
Capital Outlay	-	209,406	209,406	-
Total Expenditures	<u>-</u>	<u>209,406</u>	<u>209,406</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	4,532	4,532
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>4,532</u>	<u>4,532</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>4,532</u>	<u>4,532</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 4,532	
Adjustments to Revenues			(4,532)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque School of Excellence
Schedule of Budgetary Comparisons - Budgetary Basis
SB-9 Capital Improvements 31700
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Property Taxes	\$ 102,491	102,491	87,647	(14,844)
State Grant	-	7,179	-	(7,179)
Total Revenues	<u>102,491</u>	<u>109,670</u>	<u>87,647</u>	<u>(22,023)</u>
EXPENDITURES				
Capital Outlay	196,225	203,404	-	203,404
Total Expenditures	<u>196,225</u>	<u>203,404</u>	<u>-</u>	<u>203,404</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(93,734)</u>	<u>(93,734)</u>	<u>87,647</u>	<u>181,381</u>
Other Financing Sources (Uses):				
Designated Cash	89,073	89,073	-	(89,073)
Total Other Financing Sources (Uses):	<u>89,073</u>	<u>89,073</u>	<u>-</u>	<u>(89,073)</u>
Net Changes in Fund Balances	<u>(4,661)</u>	<u>(4,661)</u>	<u>87,647</u>	<u>92,308</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>89,073</u>	<u>89,073</u>
Cash or Fund Balances (Deficit) - End of Year	<u>\$ (4,661)</u>	<u>(4,661)</u>	<u>176,720</u>	<u>181,381</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 87,647	
Adjustments to Revenues			1,368	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 89,015</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque School of Excellence
Schedule of Collateral Pledged by Depository for Public Funds
June 30, 2015

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2015</u>
Wells Fargo	FN AJ3070 4%	3138AUMU8	11/1/2041	\$ 18,855
Wells Fargo	FN AJ3790 3%	3138AVF83	11/1/2026	477
Wells Fargo	FN AR3830 3%	3138W1HG5	2/1/2043	13,635
Wells Fargo	FN AR9199 3%	3138W7GH1	3/1/2043	6,672
Wells Fargo	FN AT5895 3%	3138WTRR9	6/1/2043	21,544
Wells Fargo	FN AT9528 3%	3138WXSS7	7/1/2043	5,357
Wells Fargo	FN AU0924 3.5%	3138X0A24	7/1/2043	97,053
Wells Fargo	FN AB6498 3%	31417DGG2	10/1/2042	9,361
Wells Fargo	FN AD1656 4.5%	31418NZW3	3/1/2040	19,424
				<u>\$ 192,378</u>

Total Cash in Bank per Schedule of Cash Accounts:	\$ 529,957
Less: FDIC coverage:	(250,000)
Uninsured Public Funds:	<u>279,957</u>
Collateral Requirement:	139,979
Pledged Collateral Held by Pledging Financial Institution:	<u>192,378</u>
Balance Over Collateralized:	<u>\$ 52,399</u>
Balance Uninsured and Uncollateralized at June 30, 2015:	<u>\$ 87,579</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Albuquerque School of Excellence
 Schedule of Cash Accounts
 June 30, 2015

<u>Bank Account Type</u>	<u>Wells Fargo</u>
Checking - Operational Account	\$ 529,957
Total on Deposit	529,957
Reconciling Items	(45,733)
Reconciled Balance June 30, 2015	484,224
Less Agency Funds	(21,157)
Total Cash	\$ 463,067

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque School of Excellence
Cash Reconciliation
June 30, 2015

	Operational 11000	Instructional Materials 14000	Food Services 21000	Non-Instruct. Fund 23000
Cash, June 30, 2014	\$ 166,255	41,905	-	19,564
Add:				
2014-15 revenues	<u>2,236,230</u>	<u>21,984</u>	<u>54,116</u>	<u>35,064</u>
Total Cash Available	2,402,485	63,889	54,116	54,628
Less:				
2014-15 expenditures	(2,232,424)	(28,275)	(54,116)	(33,471)
Receivables/Payables	37,348	-	-	-
Outstanding Loans	<u>43,324</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash June 30, 2015	<u>250,733</u>	<u>35,614</u>	<u>-</u>	<u>21,157</u>
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	-	-	-	-
Cash Per Books	<u>250,733</u>	<u>35,614</u>	<u>-</u>	<u>21,157</u>
Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	<u>(98,010)</u>	<u>(5,824)</u>	<u>-</u>	<u>(21,157)</u>
Fund Balance, Modified Accrual Basis	<u>\$ 152,723</u>	<u>29,790</u>	<u>-</u>	<u>-</u>

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

Federal Projects Account 24000	Local Grants 26000	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Total
-	9	-	89,073	316,806
<u>108,614</u>	<u>500</u>	<u>213,938</u>	<u>87,647</u>	<u>2,758,093</u>
108,614	509	213,938	176,720	3,074,899
(64,543)	(500)	(209,406)	-	(2,622,735)
(5,279)	(9)	-	-	32,060
<u>(38,792)</u>	<u>-</u>	<u>(4,532)</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>176,720</u>	<u>484,224</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>176,720</u>	<u>484,224</u>
			Less - Agency Fund:	<u>(21,157)</u>
				<u>\$ 463,067</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>1,368</u>	<u>(123,623)</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>178,088</u>	<u>360,601</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque Sign Language Academy
Statement of Net Position
June 30, 2015

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 569,353
Receivables	
Due from Government	241,993
Other	621
Investments	51,907
Total Current Assets	<u>863,874</u>

Noncurrent Assets:

Capital Assets	
Furniture, Fixtures, and Equipment	15,755
Less: Accumulated Depreciation	<u>(13,400)</u>
Total Noncurrent Assets	<u>2,355</u>

Total Assets 866,229

Deferred Outflows - Pension Related 314,693

LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accounts Payable	3,970
Accrued Expenses	103,194
Due to Government	<u>17,682</u>
Total Current Liabilities	<u>124,846</u>

Noncurrent Liabilities:

Net Pension Liability	<u>1,910,270</u>
Total Noncurrent Liabilities	<u>1,910,270</u>

Total Liabilities 2,035,116

Deferred Inflows - Pension Related 202,136

NET POSITION

Investment in Capital Assets	2,355
Restricted	365,676
Unrestricted (Deficit)	<u>(1,424,361)</u>
Total Net Position	<u>\$ (1,056,330)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque Sign Language Academy
Statement of Activities
For The Year Ended June 30, 2015

Functions/Programs	Program Revenues				Net (Expenses) Revenues and Changes in Net Position
	Expenses	Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 991,891	-	445,603	-	(546,288)
Support Services:					
Students	496,661	-	-	-	(496,661)
Instruction	51,595	-	-	-	(51,595)
General Administration	29,970	-	-	-	(29,970)
School Administration	297,970	-	-	-	(297,970)
Central Services	132,592	-	-	-	(132,592)
Operation & Maintenance of Plant	41,308	-	-	-	(41,308)
Other Support Services	16,695	-	-	-	(16,695)
Student Transportation	221,675	-	239,277	-	17,602
Food Services	38,096	-	31,438	-	(6,658)
Facilities Materials, Supplies & Other Services	72,260	-	-	229,199	156,939
Total Governmental Activities	\$ 2,390,713	-	716,318	229,199	(1,445,196)
General Revenues:					
Property Taxes					\$ 26,322
State Equalization Guarantee					1,728,354
Miscellaneous					13,471
Total General Revenues					<u>1,768,147</u>
Change in Net Position					<u>322,951</u>
Net Position, Beginning					407,515
Restatement Recognized by GASB 68					<u>(1,786,796)</u>
Net Position (Deficit), Beginning, as Restated					<u>(1,379,281)</u>
Net Position (Deficit), Ending					<u>\$ (1,056,330)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque Sign Language Academy
Balance Sheets - Governmental Funds
June 30, 2015

	Operational 11000	Pupil Transportation 13000	Instructional Materials 14000	Food Services 21000
ASSETS				
Cash and Cash Equivalents	\$ 236,869	51,924	9,462	1,020
Accounts Receivable				
Due from Government	-	-	-	271
Due from Other Funds	230,636	-	-	-
Other	621	-	-	-
Investments	-	-	-	-
Total Assets	\$ 468,126	51,924	9,462	1,291
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 3,910	-	-	-
Accrued Expenditures	90,864	938	-	-
Due to Government	-	17,682	-	-
Due to Other Funds	-	-	-	-
Total Liabilities	94,774	18,620	-	-
Fund Balances				
Fund Balance:				
Restricted for:				
Instruction	-	-	9,462	-
Food Service Operations	-	-	-	1,291
Student Transportation	-	33,304	-	-
Capital Improvements	-	-	-	-
Assigned to:				
Subsequent Years Expenditures and Other Programs	373,352	-	-	-
Total Fund Balance	373,352	33,304	9,462	1,291
Total Liabilities and Fund Balances	\$ 468,126	51,924	9,462	1,291

The accompanying notes are an integral part of these financial statements

Title I IASA 24101	IDEA-B Entitlement 24106	IDEA-B Risk Pool 24120	Title 1 1003G 24124	Teacher Principal Training 24154	Title I School Improvement 24162
-	-	-	-	-	-
21,293	6,182	20	175,034	1,000	4,000
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>21,293</u>	<u>6,182</u>	<u>20</u>	<u>175,034</u>	<u>1,000</u>	<u>4,000</u>
-	-	-	-	-	-
1,103	-	-	8,152	-	-
-	-	-	-	-	-
20,190	6,182	20	166,882	1,000	4,000
<u>21,293</u>	<u>6,182</u>	<u>20</u>	<u>175,034</u>	<u>1,000</u>	<u>4,000</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>21,293</u>	<u>6,182</u>	<u>20</u>	<u>175,034</u>	<u>1,000</u>	<u>4,000</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque Sign Language Academy
Balance Sheets - Governmental Funds (Continued)
June 30, 2015

	Title XIX Medicaid 25153	United Way 26218	Library GO Bonds 27107	Reads to Lead 27114
ASSETS				
Cash and Cash Equivalents	\$ 59,269	20,016	-	-
Accounts Receivable				
Due from Government	-	-	2,128	7,011
Due from Other Funds	-	-	-	-
Other	-	-	-	-
Investments	-	-	-	-
Total Assets	\$ 59,269	20,016	2,128	7,011
LIABILITIES AND FUND BALANCES				
<i>Liabilities:</i>				
Accounts Payable	\$ -	-	-	-
Accrued Expenditures	-	708	-	1,429
Due to Government	-	-	-	-
Due to Other Funds	-	-	2,128	5,582
Total Liabilities	-	708	2,128	7,011
<i>Fund Balances</i>				
Fund Balance:				
Restricted for:				
Instruction	59,269	19,308	-	-
Food Service Operations	-	-	-	-
Student Transportation	-	-	-	-
Capital Improvements	-	-	-	-
Assigned to:				
Subsequent Years Expenditures and Other Programs	-	-	-	-
Total Fund Balance	59,269	19,308	-	-
Total Liabilities and Fund Balances	\$ 59,269	20,016	2,128	7,011

The accompanying notes are an integral part of these financial statements

Private Direct Grant 29102	McCune Foundation 29114	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Total
141,695	32,091	-	17,007	569,353
-	-	24,652	402	241,993
-	-	-	-	230,636
-	-	-	-	621
51,907	-	-	-	51,907
<u>193,602</u>	<u>32,091</u>	<u>24,652</u>	<u>17,409</u>	<u>1,094,510</u>
-	60	-	-	3,970
-	-	-	-	103,194
-	-	-	-	17,682
-	-	24,652	-	230,636
-	<u>60</u>	<u>24,652</u>	-	<u>355,482</u>
-	32,031	-	-	120,070
-	-	-	-	1,291
-	-	-	-	33,304
193,602	-	-	17,409	211,011
-	-	-	-	373,352
<u>193,602</u>	<u>32,031</u>	<u>-</u>	<u>17,409</u>	<u>739,028</u>
<u>193,602</u>	<u>32,091</u>	<u>24,652</u>	<u>17,409</u>	<u>1,094,510</u>

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STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Albuquerque Sign Language Academy
 Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
 June 30, 2015

Fund Balances - Total Governmental Funds **\$ 739,028**

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

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

Capital Assets	15,755	
Accumulated Depreciation	(13,400)	
		2,355

Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds		314,693
--	--	---------

Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds.		(202,136)
--	--	-----------

The net pension liability is not due and payable in the current period and, therefore, is not reported in the funds.		(1,910,270)

Net Position-Total Governmental Activities		<u>\$ (1,056,330)</u>
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The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque Sign Language Academy
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit)
Governmental Funds
For The Year Ended June 30, 2015

	Operational 11000	Pupil Transportation 13000	Instructional Materials 14000	Food Services 21000
REVENUES				
Property Taxes	\$ -	-	-	-
State Grant	1,728,354	239,277	6,688	-
Federal Grant	-	-	-	31,438
Contributions	-	-	-	-
Miscellaneous Income	5,547	-	-	5,739
Total Revenues	<u>1,733,901</u>	<u>239,277</u>	<u>6,688</u>	<u>37,177</u>
EXPENDITURES				
Current:				
Instruction	741,643	-	12,731	-
Support Services:				
Students	408,797	-	-	-
Instruction	2,459	-	-	-
General Administration	26,172	-	-	-
School Administration	294,876	-	-	-
Central Services	130,732	-	-	-
Operation & Maintenance of Plant	41,036	-	-	-
Student Transportation	-	221,595	-	-
Other Support Services Operations	16,695	-	-	-
Food Services Operations	206	-	-	37,890
Capital Outlay	-	-	-	-
Total Expenditures	<u>1,662,616</u>	<u>221,595</u>	<u>12,731</u>	<u>37,890</u>
Net Changes in Fund Balances	<u>71,285</u>	<u>17,682</u>	<u>(6,043)</u>	<u>(713)</u>
Fund Balances (Deficit) - Beginning of Year	<u>302,067</u>	<u>15,622</u>	<u>15,505</u>	<u>2,004</u>
Fund Balances - End of Year	<u>\$ 373,352</u>	<u>33,304</u>	<u>9,462</u>	<u>1,291</u>

The accompanying notes are an integral part of these financial statements

Title I IASA 24101	IDEA-B Entitlement 24106	IDEA-B Risk Pool 24120	Title 1 1003G 24124	Teacher Principal Training 24154	Title I School Improvement 24162
-	-	-	-	-	-
-	-	-	-	-	-
28,987	28,864	20	195,898	1,000	4,000
-	-	-	-	-	-
-	-	-	-	-	-
<u>28,987</u>	<u>28,864</u>	<u>20</u>	<u>195,898</u>	<u>1,000</u>	<u>4,000</u>
28,919	-	20	148,689	1,000	4,000
68	28,864	-	-	-	-
-	-	-	47,008	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	201	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>28,987</u>	<u>28,864</u>	<u>20</u>	<u>195,898</u>	<u>1,000</u>	<u>4,000</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque Sign Language Academy
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit) - Continued
Governmental Funds
For The Year Ended June 30, 2015

	Title XIX Medicaid 25153	United Way 26218	Library GO Bonds 27107	Reads to Lead 27114
REVENUES				
Property Taxes	\$ -	-	-	-
State Grant	-	-	2,128	22,000
Federal Grant	71,830	-	-	-
Contributions	-	50,470	-	-
Miscellaneous Income	-	-	-	-
Total Revenues	71,830	50,470	2,128	22,000
EXPENDITURES				
Current:				
Instruction	-	22,233	-	21,804
Support Services:				
Students	47,626	8,929	-	-
Instruction	-	-	2,128	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services Operations	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	47,626	31,162	2,128	21,804
Net Changes in Fund Balances	24,204	19,308	-	196
Fund Balances(Deficit) - Beginning of Year	35,065	-	-	(196)
Fund Balances - End of Year	\$ 59,269	19,308	-	-

The accompanying notes are an integral part of these financial statements

Private Direct Grant 29102	McCune Foundation 29114	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Total
-	-	-	26,322	26,322
-	-	62,945	402	2,061,794
-	-	-	-	362,037
165,852	33,718	-	-	250,040
2,185	-	-	-	13,471
<u>168,037</u>	<u>33,718</u>	<u>62,945</u>	<u>26,724</u>	<u>2,713,664</u>
-	1,687	-	-	982,726
-	-	-	-	494,284
-	-	-	-	51,595
3,798	-	-	-	29,970
1,295	-	-	-	296,171
1,284	-	-	-	132,016
-	-	-	-	41,237
-	-	-	-	221,595
-	-	-	-	16,695
-	-	-	-	38,096
-	-	62,945	9,315	72,260
<u>6,377</u>	<u>1,687</u>	<u>62,945</u>	<u>9,315</u>	<u>2,376,645</u>
<u>161,660</u>	<u>32,031</u>	<u>-</u>	<u>17,409</u>	<u>337,019</u>
<u>31,942</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>402,009</u>
<u>193,602</u>	<u>32,031</u>	<u>-</u>	<u>17,409</u>	<u>739,028</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque Sign Language Academy
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances (Deficit) of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2015

Net Change in Fund Balances-Total Governmental Funds	\$ 337,019
<p>Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the Statement of Net Position and allocated over their estimated useful lives as annual depreciation expenses in the Statement of Activities. This is the amount by which capital outlay exceeds depreciation for the period</p>	
Depreciation Expense	(3,151)
Changes in long-term liabilities	
Change in the net pension liability	<u>(10,917)</u>
Change in Net Position-Total Governmental Activities	<u><u>\$ 322,951</u></u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque Sign Language Academy
Statement of Fiduciary Assets and Liabilities- Agency Funds
June 30, 2015

	<u>Funds</u>
ASSETS	
Cash in Bank	<u>\$ 9,356</u>
Total Assets	<u><u>\$ 9,356</u></u>
LIABILITIES	
Deposits Held for Others	<u>\$ 9,356</u>
Total Liabilities	<u><u>\$ 9,356</u></u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque Sign Language Academy
Schedule of Changes in Assets and Liabilities - Agency Funds
For The Year Ended June 30, 2015

	<u>Balance</u> <u>July 1, 2014</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2015</u>
ASSETS				
Cash in Bank	\$ 5,762	12,523	(8,929)	9,356
Total Assets	<u>\$ 5,762</u>	<u>12,523</u>	<u>(8,929)</u>	<u>9,356</u>
LIABILITIES				
Deposits Held for Others	\$ 5,762	12,523	(8,929)	9,356
Total Liabilities	<u>\$ 5,762</u>	<u>12,523</u>	<u>(8,929)</u>	<u>9,356</u>

The accompanying notes are an integral part of these financial statements

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Capital Assets. Capital assets purchased or acquired are 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. Albuquerque Sign Language Academy's capitalization policy (i.e., the dollar value above which the asset acquisitions are added to the capital accounts) is \$5,000. Albuquerque Sign Language Academy does not capitalize any interest with regard to its capital assets.

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

Furniture, Fixtures and Equipment	3-15 years
-----------------------------------	------------

Capital assets for Albuquerque Sign Language Academy are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB's Fiduciary Net Position have been determined on the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefits payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque Sign Language Academy
Notes to the Financial Statements
June 30, 2015

NOTE 2. CAPITAL ASSETS

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

	<u>Balance</u> <u>June 30, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2015</u>
<i>Capital Assets being Depreciated:</i>				
Furniture, Fixtures and Equipment	15,755	-	-	15,755
<i>Total</i>	<u>15,755</u>	<u>-</u>	<u>-</u>	<u>15,755</u>
<i>Less: Accumulated Depreciation</i>				
Furniture, Fixtures and Equipment	(10,249)	(3,151)	-	(13,400)
<i>Total</i>	<u>(10,249)</u>	<u>(3,151)</u>	<u>-</u>	<u>(13,400)</u>
Capital Assets, Net	<u>\$ 5,506</u>	<u>(3,151)</u>	<u>-</u>	<u>2,355</u>

Depreciation expensed for the year ended June 30, 2015 was expensed to the following functions:

Instruction	\$ 2,105
School Administration	1,046
Total	<u>\$ 3,151</u>

NOTE 3. INVESTMENTS

During 2015 the School received as a contribution an investment portfolio of common stock valued at \$49,722. As of June 30, 2015 the value of the common stock was \$51,907 and was restricted by the donor for capital improvements.

Custodial Credit Risk: The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, the School will not be able to recover the value of its investments in the possession of another party. All of the School's investments are registered or held by the School's agent in the School's name.

Interest Rate Risk: Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. None of the School's investments in common stock are subject to interest rate risk at June 30, 2015.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque Sign Language Academy
Notes to the Financial Statements
June 30, 2015

NOTE 3. INVESTMENTS (CONTINUED)

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. However, none of the School’s investments in common stock at June 30, 2015 are rated and the School does not have a policy limiting credit risk.

Concentration of Credit Risk: Concentration of credit risk is the risk of loss attributed to the magnitude of an entity’s investment in a single issuer. The School places no limit on the amount that these investments may be invested in any one issuer. The School had the following investments in common stock at June 30, 2015:

Clorox	\$	6,761
Dr. Pepper		14,580
Hasbro		10,471
Johnson & Johnson		20,095
Total	\$	<u>51,907</u>

NOTE 4. COMMITMENTS AND LIABILITIES

Albuquerque Sign Language Academy leases facilities under a short-term cancelable operating lease. Lease expense for the year ended June 30, 2015 was \$62,945. Albuquerque Sign Language Academy’s minimum future payments on this lease are as follows:

Year Ending June 30:		
2016	\$	69,555
Total	\$	<u>69,555</u>

NOTE 5. RELATED PARTY TRANSACTIONS

The School Administrator’s spouse is employed by a company that provides information technology services to the School. Total payments to this company were \$13,954. Additionally, the spouse of the School’s Executive Director provided professional services related to grant applications and renewing the School’s charter. Total payments to this individual were \$9,305.

NOTE 6. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to Albuquerque Sign Language Academy and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions. The contribution requirements of defined benefit plan members and Albuquerque Sign Language Academy are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year ended June 30, 2014, employers contributed 13.15% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.10% of their gross annual salary. For fiscal year ended June 30, 2015 employers contributed 13.90% and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 contributed an increased amount of 10.70% of their gross annual salary. Contributions to the pension plan from Albuquerque Sign Language Academy were \$171,201 for the year ended June 30, 2015.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2013. The total ERB pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2014, using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date June 30, 2014. At June 30, 2015, Albuquerque Sign Language Academy reported a liability of \$1,910,270 for its proportionate share of the net pension liability. Albuquerque Sign Language Academy's proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2014. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2014, Albuquerque Sign Language Academy's proportion was 0.03348%, which was an increase of 0.00308% from its proportion measured as of June 30, 2013.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque Sign Language Academy
Notes to the Financial Statements
June 30, 2015

NOTE 6. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

For the year ended June 30, 2015, Albuquerque Sign Language Academy recognized pension expense of \$182,118. At June 30, 2015, Albuquerque Sign Language Academy reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	28,460
Net difference between projected and actual earnings on pension plan investments	-	173,676
Changes in proportion and differences between Albuquerque Sign Language Academy’s contributions and proportionate share of contributions	143,492	-
Albuquerque Sign Language Academy’s contributions subsequent to the measurement date	171,201	-
	<u> </u>	<u> </u>
Total	<u>\$ 314,693</u>	<u>202,136</u>

The amount of \$171,201 reported as deferred outflows of resources related to pensions resulting from Albuquerque Sign Language Academy’s contributions subsequent to the measurement date of June 30, 2014 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2016	\$ 3,470
2017	3,470
2018	8,264
2019	43,440
Total	<u>\$ 58,644</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque Sign Language Academy
Notes to the Financial Statements
June 30, 2015

NOTE 6. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Sensitivity of Albuquerque Sign Language Academy’s proportionate share of the net pension liability to changes in the discount rate. The following table shows the sensitivity of the net pension liability to changes in the discount rate as of the fiscal year end 2014. In particular, the table presents the (employer’s) net pension liability under the current single rate assumption, as if it were calculated using a discount rate one percentage point lower (6.75%) or one percentage point higher (8.75%) than the single discount rate.

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
Albuquerque Sign Language Academy’s proportionate share of the net pension liability	<u>\$ 2,599,144</u>	<u>1,910,270</u>	<u>1,335,059</u>

Payables to the pension plan. At June 30, 2015, Albuquerque Sign Language Academy owed \$33,316 to ERB for fiscal year 2015 contributions.

NOTE 7. RESTATEMENT

As a result of implementation of GASB No. 68, *Accounting and Financial Reporting for Pensions*, net position at June 30, 2015 was restated in the amount of \$(1,786,796).

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
ALBUQUERQUE SIGN LANGUAGE ACADEMY
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2015

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.03%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 1,910	-	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 923	-	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	206.97%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30, 2014

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STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
ALBUQUERQUE SIGN LANGUAGE ACADEMY
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2015

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 121	-	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	121	-	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ -	-	-	-	-	-	-	-	-	-

Year	Total Amount Deferred	Amortization Years	Increase (Decrease) in Pension Expense over Recognition Periods										
			2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	
2014	\$ 59	5	\$ 3	4	8	44	-	-	-	-	-	-	-
2015	-	5	-	-	-	-	-	-	-	-	-	-	-
2016	-	5	-	-	-	-	-	-	-	-	-	-	-
2017	-	5	-	-	-	-	-	-	-	-	-	-	-
2018	-	5	-	-	-	-	-	-	-	-	-	-	-
2019	-	5	-	-	-	-	-	-	-	-	-	-	-
2020	-	5	-	-	-	-	-	-	-	-	-	-	-
2021	-	5	-	-	-	-	-	-	-	-	-	-	-
2022	-	5	-	-	-	-	-	-	-	-	-	-	-
2023	-	5	-	-	-	-	-	-	-	-	-	-	-
	\$ 59		\$ 3	4	8	44	-	-	-	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque Sign Language Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 1,747,312	1,728,354	1,728,354	-
Charges for Services	-	-	4,926	4,926
Total Revenues	1,747,312	1,728,354	1,733,280	4,926
EXPENDITURES				
Current:				
Instruction	978,879	987,237	742,233	245,004
Support Services:				
Students	412,924	439,838	408,797	31,041
Instruction	6,500	6,737	2,021	4,716
General Administration	18,500	27,435	23,047	4,388
School Administration	306,335	333,674	296,504	37,170
Central Services	126,159	135,622	120,367	15,255
Operation & Maintenance of Plant	71,215	59,442	41,036	18,406
Other Support Services Operations	16,800	36,800	22,380	14,420
Food Services Operations	-	6,335	5,041	1,294
Total Expenditures	1,937,312	2,033,120	1,661,426	371,694
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	(190,000)	(304,766)	71,854	376,620
Other Financing Sources (Uses):				
Designated Cash	190,000	304,766	-	(304,766)
Total Other Financing Sources (Uses):	190,000	304,766	-	(304,766)
Net Changes in Fund Balances	-	-	71,854	71,854
Cash or Fund Balances - Beginning of Year	-	-	302,067	302,067
Cash or Fund Balances - End of Year	\$ -	-	373,921	373,921
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ 71,854	
Adjustments to Revenues			621	
Adjustments to Expenditures			(1,190)	
NET CHANGE IN FUND BALANCE			\$ 71,285	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque Sign Language Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Pupil Transportation 13000
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 241,662	256,959	256,959	-
Total Revenues	241,662	256,959	256,959	-
EXPENDITURES				
Current:				
Instruction	-	15,297	-	15,297
Student Transportation	241,662	241,662	221,595	20,067
Total Expenditures	241,662	256,959	221,595	35,364
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	-	-	35,364	35,364
Net Changes in Fund Balances	-	-	35,364	35,364
Cash or Fund Balances - Beginning of Year	-	-	15,622	15,622
Cash or Fund Balances - End of Year	\$ -	-	50,986	50,986
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ 35,364	
Adjustments to Revenues			(17,682)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 17,682	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque Sign Language Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2015

	Budgeted Amounts			Variance Positive (Negative)
	Original Budget	Final Budget	Actual Amount	
REVENUES				
State Grant	\$ 4,346	6,688	7,932	1,244
Total Revenues	<u>4,346</u>	<u>6,688</u>	<u>7,932</u>	<u>1,244</u>
EXPENDITURES				
Current:				
Instruction	17,849	20,191	13,285	6,906
Total Expenditures	<u>17,849</u>	<u>20,191</u>	<u>13,285</u>	<u>6,906</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(13,503)</u>	<u>(13,503)</u>	<u>(5,353)</u>	<u>8,150</u>
Other Financing Sources (Uses):				
Designated Cash	13,503	13,503	-	(13,503)
Total Other Financing Sources (Uses):	<u>13,503</u>	<u>13,503</u>	<u>-</u>	<u>(13,503)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(5,353)</u>	<u>(5,353)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>15,505</u>	<u>15,505</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>10,152</u>	<u>10,152</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (5,353)	
Adjustments to Revenues			(1,245)	
Adjustments to Expenditures			555	
NET CHANGE IN FUND BALANCE			<u>\$ (6,043)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque Sign Language Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Food Services 21000
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 34,000	38,178	32,142	(6,036)
Charges for Services	-	-	5,468	5,468
Total Revenues	34,000	38,178	37,610	(568)
EXPENDITURES				
Current:				
Food Services Operations	34,000	40,182	37,890	2,292
Total Expenditures	34,000	40,182	37,890	2,292
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	(2,004)	(280)	1,724
Other Financing Sources (Uses):				
Operating Transfers	-	-	-	-
Designated Cash	-	2,004	-	(2,004)
Total Other Financing Sources (Uses):	-	2,004	-	(2,004)
Net Changes in Fund Balances	-	-	(280)	(280)
Cash or Fund Balances - Beginning of Year	-	-	2,004	2,004
Cash or Fund Balances - End of Year	\$ -	-	1,724	1,724
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (280)	
Adjustments to Revenues			(704)	
Adjustments to Expenditures			271	
NET CHANGE IN FUND BALANCE			\$ (713)	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque Sign Language Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Title I IASA 24101
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 17,965	33,213	8,616	(24,597)
Total Revenues	<u>17,965</u>	<u>33,213</u>	<u>8,616</u>	<u>(24,597)</u>
EXPENDITURES				
Current:				
Instruction	17,465	32,713	28,919	3,794
Support Services:				
Students	500	500	68	432
Total Expenditures	<u>17,965</u>	<u>33,213</u>	<u>28,987</u>	<u>4,226</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	-	-	(20,371)	(20,371)
Net Changes in Fund Balances	-	-	(20,371)	(20,371)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(20,371)</u>	<u>(20,371)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ (20,371)	
Adjustments to Revenues			20,371	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Albuquerque Sign Language Academy
 Schedule of Budgetary Comparisons - Budgetary Basis
 IDEA-B Entitlement 24106
 For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 23,335	32,558	27,559	(4,999)
Total Revenues	<u>23,335</u>	<u>32,558</u>	<u>27,559</u>	<u>(4,999)</u>
EXPENDITURES				
Current:				
Support Services:				
Students	23,335	32,558	28,864	3,694
Total Expenditures	<u>23,335</u>	<u>32,558</u>	<u>28,864</u>	<u>3,694</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(1,305)	(1,305)
Net Changes in Fund Balances	-	-	(1,305)	(1,305)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(1,305)</u>	<u>(1,305)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (1,305)	
Adjustments to Revenues			1,305	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque Sign Language Academy
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Risk Pool 24120
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ -	20	85,175	85,155
Total Revenues	-	20	85,175	85,155
EXPENDITURES				
Current:				
Instruction	-	20	20	-
Total Expenditures	-	20	20	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	85,155	85,155
Net Changes in Fund Balances	-	-	85,155	85,155
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	85,155	85,155
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 85,155	
Adjustments to Revenues			(85,155)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque Sign Language Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Title I 1003G 24124
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ -	328,370	20,864	(307,506)
Total Revenues	<u>-</u>	<u>328,370</u>	<u>20,864</u>	<u>(307,506)</u>
EXPENDITURES				
Current:				
Instruction	-	198,609	148,689	49,920
Support Services:				
Instruction	-	129,261	47,008	82,253
Operation & Maintenance of Plant	-	500	200	300
Total Expenditures	<u>-</u>	<u>328,370</u>	<u>195,897</u>	<u>132,473</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(175,033)</u>	<u>(175,033)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(175,033)</u>	<u>(175,033)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(175,033)</u>	<u>(175,033)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (175,033)	
Adjustments to Revenues			175,033	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Albuquerque Sign Language Academy
 Schedule of Budgetary Comparisons - Budgetary Basis
 Teacher Principal Training 24154
 For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 3,217	4,136	5,763	1,627
Total Revenues	<u>3,217</u>	<u>4,136</u>	<u>5,763</u>	<u>1,627</u>
EXPENDITURES				
Current:				
Instruction	3,217	4,136	1,000	3,136
Total expenditures	<u>3,217</u>	<u>4,136</u>	<u>1,000</u>	<u>3,136</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	4,763	4,763
Net changes in Fund Balances	-	-	4,763	4,763
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>4,763</u>	<u>4,763</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 4,763	
Adjustments to Revenues			(4,763)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Albuquerque Sign Language Academy
 Schedule of Budgetary Comparisons - Budgetary Basis
 Title I School Improvement 24162
 For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ -	4,000	13,297	9,297
Total Revenues	-	4,000	13,297	9,297
EXPENDITURES				
Current:				
Instruction	-	4,000	4,000	-
Total expenditures	-	4,000	4,000	-
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	-	-	9,297	9,297
Net changes in Fund Balances	-	-	9,297	9,297
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	9,297	9,297
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ 9,297	
Adjustments to Revenues			(9,297)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque Sign Language Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Title XIX Medicaid 25153
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 56,000	56,000	80,659	24,659
Total Revenues	56,000	56,000	80,659	24,659
EXPENDITURES				
Current:				
Support Services:				
Students	66,400	93,003	47,627	45,376
Total Expenditures	66,400	93,003	47,627	45,376
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	(10,400)	(37,003)	33,032	70,035
Other financing sources (uses):				
Operating transfers	-	-	-	-
Designated Cash	10,400	37,003	-	(37,003)
Total other financing sources (uses):	10,400	37,003	-	(37,003)
Net Changes in Fund Balances	-	-	33,032	33,032
Cash or Fund Balances - Beginning of Year	-	-	35,065	35,065
Cash or Fund Balances - End of Year	\$ -	-	68,097	68,097
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ 33,032	
Adjustments to revenues			(8,828)	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 24,204	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Albuquerque Sign Language Academy
 Schedule of Budgetary Comparisons - Budgetary Basis
 United Way 26218
 For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Contributions	\$ 50,000	50,000	50,470	470
Total Revenues	<u>50,000</u>	<u>50,000</u>	<u>50,470</u>	<u>470</u>
EXPENDITURES				
Current:				
Instruction	32,204	32,204	22,232	9,972
Support Services:				
Students	17,796	17,796	8,930	8,866
Total Expenditures	<u>50,000</u>	<u>50,000</u>	<u>31,162</u>	<u>18,838</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	19,308	19,308
Net Changes in Fund Balances	-	-	19,308	19,308
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>19,308</u>	<u>19,308</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 19,308	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 19,308</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque Sign Language Academy
Schedule of Budgetary Comparisons - Budgetary Basis
2012 GO Bond Student Library 27107
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 3,086	3,086	-	(3,086)
Total Revenues	<u>3,086</u>	<u>3,086</u>	<u>-</u>	<u>(3,086)</u>
EXPENDITURES				
Current:				
Support Services:				
Instruction	3,086	3,086	2,128	958
Total Expenditures	<u>3,086</u>	<u>3,086</u>	<u>2,128</u>	<u>958</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(2,128)	(2,128)
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(2,128)</u>	<u>(2,128)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(2,128)</u>	<u>(2,128)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (2,128)	
Adjustments to Revenues			2,128	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Albuquerque Sign Language Academy
 Schedule of Budgetary Comparisons - Budgetary Basis
 Reads to Lead 27114
 For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 22,000	22,000	20,171	(1,829)
Total Revenues	<u>22,000</u>	<u>22,000</u>	<u>20,171</u>	<u>(1,829)</u>
EXPENDITURES				
Current:				
Instruction	22,000	22,000	22,000	-
Total Expenditures	<u>22,000</u>	<u>22,000</u>	<u>22,000</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(1,829)	(1,829)
Net Changes in Fund Balances	-	-	(1,829)	(1,829)
Cash or Fund Balances - Beginning of Year	-	-	(196)	(196)
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(2,025)</u>	<u>(2,025)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (1,829)	
Adjustments to Revenues			1,829	
Adjustments to Expenditures			<u>196</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 196</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque Sign Language Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Private Direct Grants 29102
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Contributions	\$ 25,000	25,000	165,852	140,852
Miscellaneous Income	-	-	2,185	2,185
Total Revenues	25,000	25,000	168,037	143,037
EXPENDITURES				
Current:				
Instruction	10,000	10,000	-	10,000
Support Services:				
General Administration	5,000	5,000	3,798	1,202
School Administration	39,500	40,658	1,295	39,363
Central Services	-	1,284	1,284	-
Total Expenditures	54,500	56,942	6,377	50,565
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<i>(29,500)</i>	<i>(31,942)</i>	<i>161,660</i>	<i>193,602</i>
Other financing sources (uses):				
Designated Cash	29,500	31,942	-	(31,942)
Total other financing sources (uses):	29,500	31,942	-	(31,942)
Net Changes in Fund Balances	-	-	161,660	161,660
Cash or Fund Balances - Beginning of Year	-	-	31,942	31,942
Cash or Fund Balances - End of Year	\$ -	-	193,602	193,602
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 161,660	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 161,660	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque Sign Language Academy
Schedule of Budgetary Comparisons - Budgetary Basis
McCune Foundation 29114
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Contributions	\$ -	-	20,000	20,000
Total Revenues	-	-	20,000	20,000
EXPENDITURES				
Current:				
Instruction	-	2,200	1,627	573
Support Services:				
School Administration	15,000	11,518	-	11,518
Total Expenditures	15,000	13,718	1,627	12,091
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	(15,000)	(13,718)	18,373	32,091
Other financing sources (uses):				
Designated Cash	15,000	13,718	-	(13,718)
Total other financing sources (uses):	15,000	13,718	-	(13,718)
Net Changes in Fund Balances	-	-	18,373	18,373
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	18,373	18,373
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 18,373	
Adjustments to Revenues			13,718	
Adjustments to Expenditures			(60)	
NET CHANGE IN FUND BALANCE			\$ 32,031	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque Sign Language Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Public School Capital Outlay 31200
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	62,945	51,057	(11,888)
Total Revenues	<u>-</u>	<u>62,945</u>	<u>51,057</u>	<u>(11,888)</u>
EXPENDITURES				
Capital Outlay	-	62,945	62,945	-
Total Expenditures	<u>-</u>	<u>62,945</u>	<u>62,945</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(11,888)	(11,888)
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(11,888)</u>	<u>(11,888)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(11,888)</u>	<u>(11,888)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (11,888)	
Adjustments to Revenues			11,888	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque Sign Language Academy
Schedule of Budgetary Comparisons - Budgetary Basis
SB-9 Capital Fund 31700
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Property Taxes	\$ 26,563	26,563	26,322	(241)
Total Revenues	<u>26,563</u>	<u>26,563</u>	<u>26,322</u>	<u>(241)</u>
EXPENDITURES				
Capital Outlay	26,563	26,563	9,315	17,248
Total Expenditures	<u>26,563</u>	<u>26,563</u>	<u>9,315</u>	<u>17,248</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	17,007	17,007
Net Changes in Fund Balances	-	-	17,007	17,007
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>17,007</u>	<u>17,007</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 17,007	
Adjustments to Revenues			402	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 17,409</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque Sign Language Academy
Schedule of Collateral Pledged by Depository for Public Funds
June 30, 2015

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2015</u>
SunTrust Bank, Atlanta	Farmersville Tex CTFS Oblig.	311001DH1	2/15/2016	\$ 174,260
SunTrust Bank, Atlanta	GNMA Pass-thru	36184BD79	2/20/2045	211,060
				<u>\$ 385,320</u>

Total Cash per Schedule of Cash Accounts:	\$ 613,761
Less: FDIC coverage:	<u>(250,000)</u>
Uninsured Public Funds:	363,761
Collateral Requirement:	181,881
Pledged Collateral Held by Pledging Financial Institution:	<u>385,320</u>
Balance Over Collateralized:	<u>\$ 203,439</u>
Balance Uninsured and Uncollateralized at June 30, 2015:	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque Sign Language Academy
Schedule of Cash Accounts
June 30, 2015

<u>Bank Account Type</u>	<u>US Bank</u>
Checking - Operational Account	\$ 613,761
<i>Total on Deposit</i>	613,761
Reconciling Items	<u>(35,052)</u>
Reconciled Balance June 30, 2015	<u>578,709</u>
Less Agency Funds	<u>(9,356)</u>
<i>Total Cash</i>	<u><u>\$ 569,353</u></u>

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque Sign Language Academy
Cash Reconciliation
June 30, 2015

	Operational <u>11000</u>	Pupil Transportation <u>13000</u>	Instructional Materials <u>14000</u>	Food Services <u>21000</u>
Cash, June 30, 2014	\$ 256,976	32,296	14,815	1,300
Add:				
2014-15 revenues	<u>1,733,280</u>	<u>256,959</u>	<u>7,932</u>	<u>37,610</u>
Total Cash Available	1,990,256	289,255	22,747	38,910
Less:				
2014-15 expenditures	(1,661,426)	(221,595)	(13,285)	(37,890)
Receivables/Payables	15,608	(15,736)	-	-
Outstanding Loans	<u>(107,569)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash June 30, 2015	<u>236,869</u>	<u>51,924</u>	<u>9,462</u>	<u>1,020</u>
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	-	-	-	-
Cash Per Books	<u>236,869</u>	<u>51,924</u>	<u>9,462</u>	<u>1,020</u>
Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	<u>136,483</u>	<u>(18,620)</u>	<u>-</u>	<u>271</u>
Fund Balance, Modified Accrual Basis	<u>\$ 373,352</u>	<u>33,304</u>	<u>9,462</u>	<u>1,291</u>

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

Non-Instruct. Fund 23000	Federal Projects Account 24000	Federal Direct Account 25000	Local Account 26000	State Account 27000	Local or State Account 29000
5,762	-	26,237	-	-	45,660
<u>12,523</u>	<u>161,274</u>	<u>80,659</u>	<u>50,470</u>	<u>20,171</u>	<u>188,037</u>
18,285	161,274	106,896	50,470	20,171	233,697
(8,929)	(201,040)	(47,627)	(31,162)	(24,128)	(8,004)
-	(52,578)	-	708	620	(51,907)
-	92,344	-	-	3,337	-
<u>9,356</u>	<u>-</u>	<u>59,269</u>	<u>20,016</u>	<u>-</u>	<u>173,786</u>
-	-	-	-	-	-
<u>9,356</u>	<u>-</u>	<u>59,269</u>	<u>20,016</u>	<u>-</u>	<u>173,786</u>
(9,356)	-	-	(708)	-	51,847
<u>-</u>	<u>-</u>	<u>59,269</u>	<u>19,308</u>	<u>-</u>	<u>225,633</u>

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STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Albuquerque Sign Language Academy
Cash Reconciliation (continued)
June 30, 2015

	Public School Capital Outlay <u>31200</u>	SB-9 Capital Improvements <u>31700</u>	<u>Total</u>
Cash, June 30, 2014	\$ -	-	383,046
Add:			
2014-15 revenues	<u>51,057</u>	<u>26,322</u>	<u>2,626,294</u>
Total Cash Available	51,057	26,322	3,009,340
Less:			
2014-15 expenditures	(62,945)	(9,315)	(2,327,346)
Receivables/Payables	-	-	(103,285)
Outstanding Loans	<u>11,888</u>	<u>-</u>	<u>-</u>
Cash June 30, 2015	<u>-</u>	<u>17,007</u>	<u>578,709</u>
Fund Balance Reconciliations to GAAP Basis:			
Audit reclassifications to cash	<u>-</u>	<u>-</u>	<u>-</u>
Cash Per Books	<u>-</u>	<u>17,007</u>	<u>578,709</u>
Less: Activity Funds Per Schedule of Changes in Assets and Liabilities- Agency Fund:			<u>(9,356)</u>
			<u>\$ 569,353</u>
Fund Balance Reconciliation to GAAP Basis:			
Modified Accrual Adjustments	<u>-</u>	<u>402</u>	<u>160,319</u>
Fund Balance, Modified Accrual Basis	<u>\$ -</u>	<u>17,409</u>	<u>739,028</u>

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Aldo Leopold Charter School
Statement of Net Position
June 30, 2015

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 602,969
Receivables	
Due from Other Governments	89,624
Total Current Assets	<u>692,593</u>

Noncurrent Assets:

Capital Assets	
Building and Improvements	43,341
Vehicles	98,390
Furniture, Fixtures, and Equipment	5,836
Less: Accumulated Depreciation	(67,502)
Total Noncurrent Assets	<u>80,065</u>
Total Assets	<u>772,658</u>

Deferred Outflow - Pension Related	<u>479,434</u>
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LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accounts Payable	9,144
Accrued Liabilities	106,966
Compensated Absences	21,848
Total Current Liabilities	<u>137,958</u>

Noncurrent Liabilities:

Net Pension Liability	1,885,164
Total Noncurrent Liabilities	<u>1,885,164</u>
Total Liabilities	<u>2,023,122</u>

Deferred Inflows - Pension Related	<u>199,451</u>
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NET POSITION

Net Investment in Capital Assets	80,065
Restricted	115,390
Unrestricted (Defecit)	(1,165,936)
Total Net Position	<u>\$ (970,481)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Aldo Leopold Charter School
Statement Of Activities
For The Year Ended June 30, 2015

Functions/Programs	Program Revenues				Net (Expenses) Revenues and Changes in Net Position
	Expenses	Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental Activities:					
Instruction	\$ 1,008,374	23,999	80,227	-	(904,148)
Support Services:					
Students	324,870	-	116,543	-	(208,327)
Instruction	294	-	-	-	(294)
General Administration	55,322	-	-	-	(55,322)
School Administration	341,485	-	-	-	(341,485)
Central Services	84,221	-	-	-	(84,221)
Operation & Maintenance of Plant	112,323	-	-	-	(112,323)
Community Services Operations	27,109	-	-	-	(27,109)
Facilities Materials, Supplies & Other Services	132,942	-	-	105,137	(27,805)
Total Governmental Activities	\$ 2,086,940	23,999	196,770	105,137	(1,761,034)

General Revenues:

Property taxes	\$ 56,541
State Equalization Guarantee	1,586,964
Miscellaneous	26,220
Total General Revenues	<u>1,669,725</u>

Change in Net Position (91,309)

Net Position - Beginning	787,314
Prior Period Adjustment	(1,666,486)
Net Position, as Restated	<u>(879,172)</u>
Net Position, Ending	<u>\$ (970,481)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Aldo Leopold Charter School
Balance Sheets - Governmental Funds
June 30, 2015

	Operational 11000	Instructional Materials 14000	Title I IASA 24101	IDEA-B Entitlement 24106
ASSETS				
Cash and Cash Equivalents	\$ 489,003	11,458	-	-
Accounts Receivable				
Due from Government	-	-	34,809	-
Due from Other Funds	86,795	-	-	-
Total Assets	\$ 575,798	11,458	34,809	-
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	9,144	-	-	-
Accrued Expenditures	105,561	-	-	-
Due to Other Funds	-	-	34,809	-
Total Liabilities	114,705	-	34,809	-
Fund Balances				
Fund Balance:				
Restricted for:				
Instruction	-	11,458	-	-
Capital Improvements	-	-	-	-
Unassigned	461,093	-	-	-
Total Fund Balance	461,093	11,458	-	-
Total Liabilities and Fund Balances	\$ 575,798	11,458	34,809	-

The accompanying notes are an integral part of these financial statements

Teacher Principal Training 24154	Dual Credit Instructional Materials 27103	Next Generation Assessments 27185	Youth Conservation Corp 28133	Private Dir Grants (Categorical) 29102	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Total Government
-	-	-	1,273	30,322	-	70,913	602,969
4,897	563	-	20,720	-	25,806	2,829	89,624
-	-	-	-	-	-	-	86,795
4,897	563	-	21,993	30,322	25,806	73,742	779,388
-	-	-	-	-	-	-	9,144
-	-	-	1,273	132	-	-	106,966
4,897	563	-	20,720	-	25,806	-	86,795
4,897	563	-	21,993	132	25,806	-	202,905
-	-	-	-	30,190	-	-	41,648
-	-	-	-	-	-	73,742	73,742
-	-	-	-	-	-	-	461,093
-	-	-	-	30,190	-	73,742	576,483
4,897	563	-	21,993	30,322	25,806	73,742	779,388

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STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Aldo Leopold Charter School
 Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
 June 30, 2015

Fund Balances - Total Governmental Funds **\$ 576,483**

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

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

Capital Assets	147,567	
Accumulated Depreciation	(67,502)	
		80,065

Defined benefit pension plan deferred outflows are not financial resources and, therefore are not reported in the funds. 479,434

Long-term liabilities are not due in the current period and, therefore, are not reported in the funds.

Net Pension Liability	(1,885,164)	
Compensated Absences	(21,848)	
		(1,907,012)

Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds (199,451)

Net Position - Total Governmental Activities **\$ (970,481)**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Aldo Leopold Charter School
Statement Of Revenues, Expenditures, And Changes In Fund Balances (Deficit)
Governmental Funds
For The Year Ended June 30, 2015

	Operational 11000	Instructional Materials 14000	Title I IASA 24101	IDEA-B Entitlement 24106
REVENUES				
Property Taxes	\$ -	-	-	-
Local & County Grant	6,220	-	-	-
State Grant	1,586,964	10,388	-	-
Federal Grant	-	-	34,809	30,133
Charges for Services	23,999	-	-	-
Total Revenues	1,617,183	10,388	34,809	30,133
EXPENDITURES				
Current:				
Instruction	885,676	5,211	30,815	15,033
Support Services:				
Students	191,458	-	3,994	15,100
Instruction	294	-	-	-
General Administration	49,541	-	-	-
School Administration	311,263	-	-	-
Central Services	78,873	-	-	-
Operation & Maintenance of Plant	111,297	-	-	-
Community Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	1,628,402	5,211	34,809	30,133
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	(11,219)	5,177	-	-
Net Changes in Fund Balances	(11,219)	5,177	-	-
Fund Balances (Deficit) - Beginning of Year	637,869	6,281	-	-
Prior Period Adjustment	(165,557)	-	-	-
Fund Balances (Deficit) - End of Year	\$ 461,093	11,458	-	-

The accompanying notes are an integral part of these financial statements

Teacher Principal Training 24154	Dual Credit Instructional Materials 27103	Next Generation Assessments 27185	Youth Conservation Corp 28133	Private Dir Grants (Categorical) 29102	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Total Government
-	-	-	-	-	-	56,541	56,541
-	-	-	-	20,000	-	-	26,220
-	2,071	-	114,472	-	103,223	1,914	1,819,032
4,897	-	-	-	-	-	-	69,839
-	-	-	-	-	-	-	23,999
4,897	2,071	-	114,472	20,000	103,223	58,455	1,995,631
4,897	2,071	-	-	-	-	-	943,703
-	-	-	102,164	-	-	-	312,716
-	-	-	-	-	-	-	294
-	-	-	-	3,172	-	-	52,713
-	-	-	-	8,869	-	-	320,132
-	-	-	-	-	-	-	78,873
-	-	-	-	-	-	-	111,297
-	-	-	12,262	14,847	-	-	27,109
-	-	-	-	-	103,223	15,721	118,944
4,897	2,071	-	114,426	26,888	103,223	15,721	1,965,781
-	-	-	46	(6,888)	-	42,734	29,850
-	-	-	46	(6,888)	-	42,734	29,850
-	-	-	(46)	37,078	-	31,008	712,190
-	-	-	-	-	-	-	(165,557)
-	-	-	-	30,190	-	73,742	576,483

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Aldo Leopold Charter School
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances (Deficit) of Governmental Funds to the Statement of Activities
For The Year Ended June 30, 2015

Net Change in Fund Balances - Total Governmental Funds **\$ 29,850**

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

Change in Compensated Absences (2,909)

Capital Outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the Statement of Net Position and allocated over their estimated useful lives as annual depreciation expenses in the Statement of Activities. This is the amount by which capital outlay exceeds depreciation for the period

Capital Outlays	1,200	
Depreciation Expense	(15,198)	
	(13,998)	(13,998)

The issuance of long-term debt (e.g., bonds, notes, leases) provide current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.

Change in Net Pension Liability (104,252)

Change in Net Position - Total Governmental Activities **\$ (91,309)**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Aldo Leopold Charter School
 Statement of Fiduciary Assets and Liabilities - Agency Funds
 June 30, 2015

	<u>Funds</u>
ASSETS	
Cash in Bank	\$ 18,166
Total Assets	<u>\$ 18,166</u>
LIABILITIES	
Deposits Held for Others	\$ 18,166
Total Liabilities	<u>\$ 18,166</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Aldo Leopold Charter School
Schedule of Changes in Assets and Liabilities - Agency Funds
For The Year Ended June 30, 2015

	<u>Balance July 1, 2014</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2015</u>
ASSETS				
Cash in Bank	\$ 31,232	16,389	(29,455)	18,166
Total Assets	<u>\$ 31,232</u>	<u>16,389</u>	<u>(29,455)</u>	<u>18,166</u>
LIABILITIES				
Deposits Held for Others	\$ 31,232	16,389	(29,455)	18,166
Total Liabilities	<u>\$ 31,232</u>	<u>16,389</u>	<u>(29,455)</u>	<u>18,166</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Aldo Leopold Charter School
Notes to the Financial Statements
June 30, 2015

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Capital Assets. Capital assets purchased or acquired are 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 Aldo Leopold Charter School's capitalization policy (i.e., the dollar value above which the asset acquisitions are added to the capital accounts) is \$5,000. The Aldo Leopold Charter School does not capitalize any interest with regard to its capital assets.

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:

Furniture, fixtures and equipment	5 years
Vehicles	10 years
Buildings and Improvements	30 years

Capital assets for the Aldo Leopold Charter School are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB's Fiduciary Net Position have been determined on the economic resources measurement focus and accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Aldo Leopold Charter School
Notes to the Financial Statements
June 30, 2015

NOTE 2. CAPITAL ASSETS

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

	Balance			Balance
	June 30, 2014	Additions	Reclass	June 30, 2015
<i>Capital Assets being Depreciated:</i>				
Furniture, fixtures and equipment	\$ 87,826	-	(81,990)	5,836
Buildings and improvements	43,341	-	-	43,341
Vehicles	15,200	1,200	81,990	98,390
Total	<u>146,367</u>	<u>1,200</u>	<u>-</u>	<u>147,567</u>
Less: Accumulated Depreciation	<u>(52,304)</u>	<u>(15,198)</u>	<u>-</u>	<u>(67,502)</u>
Net Fixed Assets	<u>\$ 94,063</u>	<u>(13,998)</u>	<u>-</u>	<u>80,065</u>

Depreciation expensed for the year ended June 30, 2015 was expensed to the following functions:

Capital Outlay	\$ 15,198
Total	<u>\$ 15,198</u>

NOTE 3. COMMITMENTS AND CONTINGENCIES

The Aldo Leopold Charter School leased facilities and equipment under short-term cancelable operating leases. Rental expense for the year ended June 30, 2015 was \$137,089. The school's minimum future payments on this lease are as follows.

Year Ending June 30:	
2016	\$ 73,932
2017	73,932
2018	73,932
2019	73,932
2020	73,932
2021	<u>73,932</u>
Total minimum lease payments	<u>\$443,592</u>

The school had a compensated absences balance of \$18,939 at the beginning of the fiscal year. Additions to the balance were \$2,909, which resulted in an ending balance of \$21,848. All of this balance is considered to be current.

NOTE 3. COMMITMENTS AND CONTINGENCIES (CONTINUED)

The School is a defendant in a lawsuit that has a set trial date of July 18, 2016. The Judge presiding over the case has ordered all parties to attend mediation before the end of February 2016. The attorney representing the school has set the chance of a defendant verdict at less than likely. The Tort Claims Act and prevailing case law dictate that the maximum liability would be \$750,000. However, the plaintiffs have asserted that this case is not covered under the New Mexico Tort Claims Act in an attempt to avoid liability caps. With the case being very early in the discovery phase, the possible liability is not able to be reasonably estimated as of this time.

NOTE 4. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to the Aldo Leopold Charter School and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions. The contribution requirements of defined benefit plan members and Aldo Leopold Charter School are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year, ended June 30, 2014 employers contributed 13.15% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.10% of their gross annual salary. For fiscal year, ended June 30, 2015 employers contributed 13.90%, and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 contributed an increased amount of 10.70% of their gross annual salary. Contributions to the pension plan from Aldo Leopold Charter School were \$143,054 for the year ended June 30, 2015.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Aldo Leopold Charter School
Notes to the Financial Statements
June 30, 2015

NOTE 4. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2013. The total ERB pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2014, using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date June 30, 2014. At June 30, 2015, Aldo Leopold Charter School reported a liability of \$1,885,164 for its proportionate share of the net pension liability. Aldo Leopold Charter School's proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2014. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2014, Aldo Leopold Charter School's proportion was 0.03304% percent, which was an increase of 0.00722% from its proportion measured as of June 30, 2013.

For the year ended June 30, 2015, Aldo Leopold Charter School recognized pension expense of \$247,306. At the June 30, 2015, Aldo Leopold Charter School reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actuarial experience	\$ -	28,082
Changes in assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	171,369
Changes in proportion and differences between Aldo Leopold Charter School contributions and proportionate share of contributions	336,380	-
Aldo Leopold Charter School contributions subsequent to the measurement date	143,054	-
Total	<u>\$ 479,434</u>	<u>199,451</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Aldo Leopold Charter School
Notes to the Financial Statements
June 30, 2015

NOTE 4. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

\$143,054 reported as deferred outflows of resources related to pensions resulting from Aldo Leopold Charter School contributions subsequent to the measurement date June 30, 2014 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:		
2016	\$	(64,205)
2017		(64,205)
2018		(51,359)
2019		42,840
Total	\$	<u>(136,929)</u>

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

	<u>1% Decrease (6.75%)</u>	<u>Current Discount Rate (7.75%)</u>	<u>1% Increase (8.75%)</u>
Aldo Leopold Charter School's proportionate share of the net pension liability	\$ 2,564,986	1,885,164	1,317,320

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Aldo Leopold Charter School
Notes to the Financial Statements
June 30, 2015**

NOTE 5. RESTATEMENT

The School had a payroll that was for FY2015 and was paid on that date. However, in the system it was dated July 1, 2014 and was not posted as an accrual in the previous year's financial statements. The effect of this transaction was to decrease beginning fund balance by \$165,557. Additionally, as a result of implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, net position at June 30, 2014 was restated and reduced by \$1,500,929. Total reduction to beginning net position amounted to \$1,666,486.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Aldo Leopold Charter School
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2015

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.0330%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 1,885	-	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 911	-	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	206.92%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30, 2014

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Aldo Leopold Charter School
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2015

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 120	-	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	120	-	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ -	-	-	-	-	-	-	-	-	-

Year	Total Amount Deferred	Amortization Years	Increase (Decrease) in Pension Expense over Recognition Periods											
			2015	2016	2017	2018	2019	2020	2021	2022	2023	2024		
2014	\$ (137)	5	\$ (64)	(64)	(64)	(51)	42	-	-	-	-	-	-	-
2015	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2016	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2017	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2018	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2019	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2020	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2021	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2022	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2023	-	5	-	-	-	-	-	-	-	-	-	-	-	-
	\$ (137)		\$ (64)	(64)	(64)	(51)	42	-	-	-	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Aldo Leopold Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30,2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Local & County Grant	\$ -	-	6,220	6,220
State Grant	1,574,662	1,586,964	1,586,964	-
Charges for Services	-	-	23,999	23,999
Total Revenues	1,574,662	1,586,964	1,617,183	30,219
EXPENDITURES				
Current:				
Instruction	1,076,176	1,084,176	885,676	198,500
Support Services:				
Students	162,282	166,584	193,885	(27,301)
Instruction	-	-	294	(294)
General Administration	64,761	64,761	43,142	21,619
School Administration	354,398	354,398	305,393	49,005
Central Services	104,143	104,143	78,873	25,270
Operation & Maintenance of Plant	237,449	237,449	108,852	128,597
Capital Outlay	24,507	24,507	-	24,507
Total Expenditures	2,023,716	2,036,018	1,616,115	419,903
<i>Excess(Deficiency) of Revenues Over (Under) Expenditures</i>	<i>(449,054)</i>	<i>(449,054)</i>	<i>1,068</i>	<i>450,122</i>
Net Changes in Fund Balances	(449,054)	(449,054)	1,068	450,122
Cash or Fund Balances - Beginning of Year	-	-	637,869	637,869
Prior Period Adjustment	-	-	(165,557)	(165,557)
Cash or Fund Balances - End of Year	\$ (449,054)	(449,054)	473,380	922,434
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 1,068	
Adjustments to Revenues			-	
Adjustments to Expenditures			(12,287)	
NET CHANGE IN FUND BALANCE			\$ (11,219)	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Aldo Leopold Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30,2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 7,363	10,388	10,388	-
Total Revenues	7,363	10,388	10,388	-
EXPENDITURES				
Current:				
Instruction	13,368	16,393	5,211	11,182
Total Expenditures	13,368	16,393	5,211	11,182
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<i>(6,005)</i>	<i>(6,005)</i>	<i>5,177</i>	<i>11,182</i>
Net Changes in Fund Balances	(6,005)	(6,005)	5,177	11,182
Cash or Fund Balances - Beginning of Year	-	-	6,281	6,281
Cash or Fund Balances - End of Year	\$ (6,005)	(6,005)	11,458	17,463
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 5,177	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 5,177	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Aldo Leopold Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Title I IASA 24101
For The Year Ended June 30,2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 24,198	37,202	11,432	(25,770)
Total Revenues	24,198	37,202	11,432	(25,770)
EXPENDITURES				
Current:				
Instruction	17,811	30,815	30,815	-
Support Services:				
Students	6,387	6,387	3,994	2,393
Total Expenditures	24,198	37,202	34,809	2,393
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(23,377)	(23,377)
Net Changes in Fund Balances	-	-	(23,377)	(23,377)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	(23,377)	(23,377)
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (23,377)	
Adjustments to Revenues			23,377	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Aldo Leopold Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 IDEA-B Entitlement 24106
 For The Year Ended June 30,2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 27,100	30,133	50,261	20,128
Total Revenues	<u>27,100</u>	<u>30,133</u>	<u>50,261</u>	<u>20,128</u>
EXPENDITURES				
Current:				
Instruction	12,000	15,033	15,033	-
Support Services:				
Students	15,100	15,100	15,100	-
Total Expenditures	<u>27,100</u>	<u>30,133</u>	<u>30,133</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	20,128	20,128
Net Changes in Fund Balances	-	-	20,128	20,128
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>20,128</u>	<u>20,128</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 20,128	
Adjustments to Revenues			(20,128)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Aldo Leopold Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Teacher and Principal Training 24154
For The Year Ended June 30,2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 4,897	4,897	-	(4,897)
Total Revenues	<u>4,897</u>	<u>4,897</u>	<u>-</u>	<u>(4,897)</u>
EXPENDITURES				
Current:				
Instruction	4,897	4,897	4,897	-
Total Expenditures	<u>4,897</u>	<u>4,897</u>	<u>4,897</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(4,897)	(4,897)
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(4,897)</u>	<u>(4,897)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(4,897)</u>	<u>(4,897)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (4,897)	
Adjustments to Revenues			4,897	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Aldo Leopold Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Dual Credit Instructional Materials 27103
For The Year Ended June 30,2015

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
REVENUES				
State Grant	\$ -	2,071	1,508	(563)
Total Revenues	-	2,071	1,508	(563)
EXPENDITURES				
Current:				
Total Expenditures	-	-	-	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	2,071	1,508	(563)
Net Changes in Fund Balances	-	2,071	1,508	(563)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	2,071	1,508	(563)
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 1,508	
Adjustments to Revenues			563	
Adjustments to Expenditures			(2,071)	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Aldo Leopold Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Next Generation Assessments 27185
For The Year Ended June 30,2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	-	1,442	1,442
Total Revenues	-	-	1,442	1,442
EXPENDITURES				
Current:				
Total Expenditures	-	-	-	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	1,442	1,442
Net Changes in Fund Balances	-	-	1,442	1,442
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund balances - End of Year	\$ -	-	1,442	1,442
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 1,442	
Adjustments to Revenues			(1,442)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Aldo Leopold Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Youth Conservation Corp 28133
For The Year Ended June 30,2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	140,134	128,396	(11,738)
Total Revenues	-	140,134	128,396	(11,738)
EXPENDITURES				
Current:				
Support Services:				
Students	-	120,512	102,164	18,348
Community Services Operations	-	12,517	12,308	209
Total Expenditures	-	133,029	114,472	18,557
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	7,105	13,924	6,819
Net Changes in Fund Balances	-	7,105	13,924	6,819
Cash or Fund Balances - Beginning of Year	-	-	(46)	(46)
Cash or Fund Balances - End of Year	\$ -	7,105	13,878	6,773
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 13,924	
Adjustments to Revenues			(13,924)	
Adjustments to Expenditures			46	
NET CHANGE IN FUND BALANCE			\$ 46	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Aldo Leopold Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Private Dir Grants (Categorical) 29102
 For The Year Ended June 30,2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Local & County Grant	\$ -	20,000	20,000	-
Total Revenues	-	20,000	20,000	-
EXPENDITURES				
Current:				
Support Services:				
General Administration	-	3,300	3,172	128
School Administration	7,500	7,500	8,869	(1,369)
Central Services	-	2,000	-	2,000
Community Services Operations	28,686	43,386	14,847	28,539
Total Expenditures	36,186	56,186	26,888	29,298
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	(36,186)	(36,186)	(6,888)	29,298
Net Changes in Fund Balances	(36,186)	(36,186)	(6,888)	29,298
Cash or Fund Balances - Beginning of Year	-	-	37,078	37,078
Cash or Fund Balances - End of Year	\$ (36,186)	\$ (36,186)	\$ 30,190	66,376
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (6,888)	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (6,888)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Aldo Leopold Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Public School Capital Outlay 31200
For The Year Ended June 30,2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	103,223	30,338	(72,885)
Total Revenues	-	103,223	30,338	(72,885)
EXPENDITURES				
Current:				
Capital Outlay	-	103,223	103,223	-
Total Expenditures	-	103,223	103,223	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(72,885)	(72,885)
Net Changes in Fund Balances	-	-	(72,885)	(72,885)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	(72,885)	(72,885)
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (72,885)	
Adjustments to Revenues			72,885	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Aldo Leopold Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
SB-9 Capital Improvements 31700
For The Year Ended June 30,2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Property Taxes	\$ 52,842	52,842	55,626	2,784
State Grant	1,914	5,615	-	(5,615)
Total Revenues	54,756	58,457	55,626	(2,831)
EXPENDITURES				
Current:				
Capital Outlay	54,756	58,457	15,721	42,736
Total Expenditures	54,756	58,457	15,721	42,736
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	39,905	39,905
Net Changes in Fund Balances	-	-	39,905	39,905
Cash or Fund Balances - Beginning of Year	-	-	31,008	31,008
Cash or Fund Balances - End of Year	\$ -	-	70,913	70,913
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 39,905	
Adjustments to Revenues			2,829	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 42,734	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Aldo Leopold Charter School
Schedule of Collateral Pledged by Depository for Public Funds
June 30, 2015

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30,2015</u>
First American Bank	FHLB SLVR-Hatch VY SD 11	418839BZ8	8/1/2015	\$ 100,323
First American Bank	FHLB SLVR-BELEN SD #2	077581NQ5	8/1/2017	62,596
First American Bank	FHLB SLVR-Las Cruces SD	517534PX5	8/1/2019	106,367
First American Bank	FHLB ARTA-GNMA II	36225E2K7	7/20/2040	427,750
				<u>\$ 697,036</u>

Total Cash per Schedule of Cash Accounts:	\$ 745,028
Less: FDIC coverage:	<u>(250,000)</u>
Uninsured Public Funds:	495,028

Collateral Requirement:	247,514
Pledged Collateral Held by Pledging Financial Instituion:	<u>697,036</u>
Balance Over Collateralized:	<u>\$ 449,522</u>

Balance Uninsured and Uncollateralized at June 30, 2015: \$ -

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Aldo Leopold Charter School
 Schedule of Cash Accounts
 June 30, 2015

Bank Account Type	First American Bank
Checking - Operational Account	\$ 742,228
Checking - Agency	2,800
<i>Total on Deposit</i>	745,028
Reconciling Items	(123,893)
Reconciled Balance June 30, 2015	621,135
Less Agency Funds	(18,166)
<i>Total Cash</i>	\$ 602,969

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Aldo Leopold Charter School
Cash Reconciliation
June 30, 2015

	Operational Fund 11000	Instructional Materials Fund 14000	Federal Flowthrough Fund 24000
	<u>11000</u>	<u>14000</u>	<u>24000</u>
Cash, June 30, 2014	\$ 558,314	6,281	-
Add:			
2014-15 revenues	<u>1,617,183</u>	<u>10,388</u>	<u>61,693</u>
Total Cash Available	2,175,497	16,669	61,693
Less:			
2014-15 expenditures	(1,599,650)	(5,211)	69,839
Receivables/Payables	130,698	-	-
Outstanding Loans	<u>(86,795)</u>	<u>-</u>	<u>39,706</u>
Cash June 30, 2015	<u>619,750</u>	<u>11,458</u>	<u>171,238</u>
Fund Balance Reconciliations to GAAP Basis:			
Audit reclassification to cash	(130,747)	-	(171,238)
Cash Per Books	<u>489,003</u>	<u>11,458</u>	<u>-</u>
Fund Balance Reconciliation to GAAP Basis:			
Modified Accrual Adjustments	(27,910)	-	-
Fund Balance, Modified Accrual Basis	<u>\$ 461,093</u>	<u>11,458</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements

State Flowthrough Fund 27000	State Direct Fund 28000	Local/ State Fund 29000	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Total Government
-	1,005	37,078	-	31,008	633,686
2,950	128,396	20,000	30,338	55,626	1,926,574
2,950	129,401	57,078	30,338	86,634	2,560,260
-	114,472	(26,888)	(103,223)	(15,721)	(1,566,382)
-	476	313	-	-	131,487
563	20,720	-	25,806	-	-
3,513	265,069	30,503	(47,079)	70,913	1,125,365
(3,513)	(263,796)	(181)	47,079	-	(522,396)
-	1,273	30,322	-	70,913	602,969
-	(1,273)	(132)	-	2,829	(26,486)
-	-	30,190	-	73,742	576,483

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Alma d' Arte Charter High School
Statement of Net Position
June 30, 2015

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 120,753
Receivables	
Due from Other Governments	13,332
Total Current Assets	<u>134,085</u>

Noncurrent Assets:

Capital Assets	
Furniture, Fixtures, and Equipment	156,496
Less: Accumulated Depreciation	<u>(145,570)</u>
Total Noncurrent Assets	<u>10,926</u>

Total Assets	<u>145,011</u>
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Deferred Outflows - Pension Related	<u>216,383</u>
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LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accounts Payable	17,092
Accrued Liabilities	<u>47,869</u>
Total Current Liabilities	<u>64,961</u>

Noncurrent Liabilities:

Net Pension Liability	<u>2,330,211</u>
Total Noncurrent Liabilities	<u>2,330,211</u>

Total Liabilities	<u>2,395,172</u>
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Deferred Inflows - Pension Related	<u>246,562</u>
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NET POSITION

Investment in Capital Assets	10,926
Restricted	12,242
Unrestricted (Deficit)	<u>(2,303,508)</u>
Total Net Position	<u>\$ (2,280,340)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Alma d' Arte Charter High School
Statement of Activities
For The Year Ended June 30, 2015

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental Activities:					
Instruction	\$ 1,283,014	2,003	137,456	-	(1,143,555)
Support Services:					
Students	42,875	-	-	-	(42,875)
General Administration	17,237	-	-	-	(17,237)
School Administration	260,842	-	-	-	(260,842)
Central Services	128,805	-	-	-	(128,805)
Operation & Maintenance of Plant	204,669	-	-	-	(204,669)
Food Services	75,187	21,383	-	-	(53,804)
Facilities Materials, Supplies & Other Services	141,856	-	-	141,856	-
Total Governmental Activities	<u>\$ 2,154,485</u>	<u>23,386</u>	<u>137,456</u>	<u>141,856</u>	<u>(1,851,787)</u>

General Revenues:

State Equalization Guarantee	\$ 1,919,879
Total General Revenues	<u>1,919,879</u>

Change in Net Position

	68,092
Net Position-Beginning	(13,957)
Restatement	(2,334,475)
Net Position, as Restated	<u>(2,348,432)</u>
Net Position-Ending	<u>\$ (2,280,340)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Alma d' Arte Charter High School
Balance Sheets - Governmental Funds
June 30, 2015

	Operational 11000	Instructional Materials 14000	Food Services 21000
ASSETS			
Cash and Cash Equivalents	\$ 106,815	1,017	5,181
Accounts Receivable			
Due from Government	-	-	4,343
Due from Other Funds	20,189	2,828	5,161
Total Assets	<u>\$ 127,004</u>	<u>3,845</u>	<u>14,685</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts Payable	\$ 17,092	-	-
Accrued Expenditures	47,869	-	-
Due to Other Funds	5,161	-	14,028
Total Liabilities	<u>70,122</u>	<u>-</u>	<u>14,028</u>
Fund Balances			
Fund Balance:			
Restricted for:			
Instruction	-	3,845	-
Food Service Operations	-	-	657
Unassigned	56,882	-	-
Total Fund Balance	<u>56,882</u>	<u>3,845</u>	<u>657</u>
Total Liabilities and Fund Balances	<u>\$ 127,004</u>	<u>3,845</u>	<u>14,685</u>

The accompanying notes are an integral part of these financial statements

Title I IASA 24101	IDEA-B Entitlement 24106	Spaceport Grant 26204	Public School Capital Outlay 31200	Total
-	-	7,740	-	120,753
5,053	3,936	-	-	13,332
-	-	-	-	28,178
<u>5,053</u>	<u>3,936</u>	<u>7,740</u>	<u>-</u>	<u>162,263</u>
-	-	-	-	17,092
-	-	-	-	47,869
5,053	3,936	-	-	28,178
<u>5,053</u>	<u>3,936</u>	<u>-</u>	<u>-</u>	<u>93,139</u>
-	-	7,740	-	11,585
-	-	-	-	657
-	-	-	-	56,882
-	-	7,740	-	69,124
<u>5,053</u>	<u>3,936</u>	<u>7,740</u>	<u>-</u>	<u>162,263</u>

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STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Alma d' Arte Charter High School
 Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
 June 30, 2015

Fund Balances - Total Governmental Funds **\$ 69,124**

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

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

Capital Assets	156,496	
Accumulated Depreciation	<u>(145,570)</u>	
		10,926

Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds.

216,383

Long-term liabilities are not due in the current period and, therefore, are not reported in the funds.

Net Pension Liability	<u>(2,330,211)</u>	(2,330,211)
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Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds.

(246,562)

Net Position-Total Governmental Activities **\$ (2,280,340)**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Alma d' Arte Charter High School
Statement of Revenues, Expenditures, And Changes In Fund Balances
Governmental Funds
For The Year Ended June 30, 2015

	Operational 11000	Instructional Materials 14000	Food Services 21000
REVENUES			
Local & County Grant	\$ -	-	-
State Grant	1,919,879	14,158	-
Federal Grant	-	-	46,953
Charges for Services	2,003	-	21,383
Total Revenues	1,921,882	14,158	68,336
EXPENDITURES			
Current:			
Instruction	1,218,623	11,330	-
Support Services:			
Students	3,784	-	-
General Administration	17,237	-	-
School Administration	256,810	-	-
Central Services	126,618	-	-
Operation & Maintenance of Plant	203,608	-	-
Food Services Operations	10,128	-	64,876
Community Services Operation	-	-	-
Capital Outlay	-	-	-
Total Expenditures	1,836,808	11,330	64,876
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>85,074</u>	<u>2,828</u>	<u>3,460</u>
Net Changes in Fund Balances	<u>85,074</u>	<u>2,828</u>	<u>3,460</u>
Fund Balances - Beginning of Year	<u>(28,192)</u>	<u>1,017</u>	<u>(2,803)</u>
Fund Balances - End of Year	<u><u>\$ 56,882</u></u>	<u><u>3,845</u></u>	<u><u>657</u></u>

The accompanying notes are an integral part of these financial statements

Title I IASA 24101	IDEA-B Entitlement 24106	Spaceport Grant 26204	Public School Capital Outlay 31200	Total Government
-	-	8,360	-	8,360
-	-	-	141,856	2,075,893
28,894	39,091	-	-	114,938
-	-	-	-	23,386
<u>28,894</u>	<u>39,091</u>	<u>8,360</u>	<u>141,856</u>	<u>2,222,577</u>
28,894	-	620	-	1,259,467
-	39,091	-	-	42,875
-	-	-	-	17,237
-	-	-	-	256,810
-	-	-	-	126,618
-	-	-	-	203,608
-	-	-	-	75,004
-	-	-	-	-
-	-	-	141,856	141,856
<u>28,894</u>	<u>39,091</u>	<u>620</u>	<u>141,856</u>	<u>2,123,475</u>
-	-	7,740	-	99,102
-	-	7,740	-	99,102
-	-	-	-	(29,978)
-	-	7,740	-	69,124

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 of Governmental Funds to the Statement of Activities
For The Year Ended June 30, 2015

Net Change in Fund Balances-Total Governmental Funds **\$ 99,102**

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

Capital outlays to purchase or build capital assets are reported in
 governmental funds as expenditures. However, for governmental activities
 those costs are shown in the Statement of Net Position and allocated over
 their estimated useful lives as annual depreciation expenses in the
 Statement of Activities. This is the amount by which capital outlay exceeds
 depreciation for the period

Depreciation Expense	(5,095)	(5,095)
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The issuance of long-term debt (e.g., bonds, notes, leases) provide current
 financial resources to governmental funds, while the repayment of the
 principal of long-term debt consumes the current financial resources of
 governmental funds. Neither transaction, however, has any effect on net
 position.

Changes in Net Pension Liability	(25,915)	
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Change in Net Position-Total Governmental Activities	\$ 68,092	
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The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Alma d' Arte Charter High School
 Statement of Fiduciary Assets and Liabilities - Agency Funds
 June 30, 2015

	<u>Agency</u>
ASSETS	
Cash in Bank	\$ 447
Total Assets	<u>\$ 447</u>
LIABILITIES	
Deposits Held for Others	\$ 447
Total Liabilities	<u>\$ 447</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Alma d' Arte Charter High School
Schedule of Changes in Assets and Liabilities - Agency Funds
For The Year Ended June 30, 2015

	<u>Balance</u> <u>July 1, 2014</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2015</u>
ASSETS				
Cash in Bank	\$ 4,337	9,609	(13,499)	447
Total Assets	<u>\$ 4,337</u>	<u>9,609</u>	<u>(13,499)</u>	<u>447</u>
LIABILITIES				
Deposits Held for Others	\$ 4,337	9,609	(13,499)	447
Total Liabilities	<u>\$ 4,337</u>	<u>9,609</u>	<u>(13,499)</u>	<u>447</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Alma d' Arte Charter High School
Notes to the Financial Statements
June 30, 2015

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Capital Assets. Capital assets purchased or acquired are 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 Alma d' Arte Charter High School's capitalization policy (i.e., the dollar value above which the asset acquisitions are added to the capital accounts) is \$5,000. The Alma d' Arte Charter High School does not capitalize any interest with regard to its capital assets.

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

Furniture, Fixtures and Equipment	5 years
Buildings and Improvements	40 years

Capital assets for the Alma d' Arte Charter School are recorded in the Statement of Net Position.

Pensions. For the purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB's Fiduciary Net Position have been determined on the economic resources measurement focus and accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 2. CAPITAL ASSETS

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

	Balance			Balance
	<u>June 30, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2015</u>
<i>Capital Assets being Depreciated:</i>				
Furniture, Fixtures and Equipment	\$ 156,496	-	-	156,496
<i>Total</i>	<u>156,496</u>	<u>-</u>	<u>-</u>	<u>156,496</u>
<i>Less: Accumulated Depreciation</i>				
Furniture, Fixtures and Equipment	(140,475)	(5,095)	-	(145,570)
<i>Total</i>	<u>(140,475)</u>	<u>(5,095)</u>	<u>-</u>	<u>(145,570)</u>
Capital Assets, Net	<u>\$ 16,021</u>	<u>(5,095)</u>	<u>-</u>	<u>10,926</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Alma d' Arte Charter High School
 Notes to the Financial Statements
 June 30, 2015

NOTE 2. CAPITAL ASSETS (CONTINUED)

Depreciation expensed for the year ended June 30, 2015 was expensed to the following functions:

Instruction	\$	5,095
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NOTE 3. COMMITMENTS AND CONTINGENCIES

The Alma d' Arte Charter High School leased facilities under a long-term cancelable operating lease. Rental expenses for the year ended June 30, 2015 were \$141,856.

The following is a schedule of operating lease payments as of June 30, 2015:

Year Ending June 30:		
2016	\$	141,856
2017		141,856
2018		141,856
2019		141,856
2020		141,856
2021 – 2025		709,280
2026 – 2030		709,280
2031 – 2033		567,424
Total operating lease payments	\$	<u>2,695,264</u>

NOTE 4. RELATED PARTIES

The Business Manager of this school is also the Business Manager of J. Paul Taylor Academy.

NOTE 5. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to the Alma d' Arte Charter High School and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

NOTE 5. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Contributions. The contribution requirements of defined benefit plan members and Alma d' Arte Charter High School are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year ended June 30, 2014 employers contributed 13.15% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.10% of their gross annual salary. For fiscal year ended June 30, 2015 employers contributed 13.90%, and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 contributed an increased amount of 10.70% of their gross annual salary. Contributions to the pension plan from Alma d' Arte Charter High School were \$156,289 for the year ended June 30, 2015.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2013. The total ERB pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2014, using generally accepted actuarial principles. Therefore, the 2015, Alma d' Arte Charter High School reported a liability of \$2,330,211 for its proportionate share of the net pension liability. Alma d' Arte Charter High School's proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2014. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2014, Alma d' Arte Charter High School's proportion was 0.04084% which was a 0.00129% increase from its proportion measured as of June 30, 2013.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Alma d' Arte Charter High School
Notes to the Financial Statements
June 30, 2015

NOTE 5. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

For the year ended June 30, 2015, Alma d' Arte Charter High School recognized pension expense of \$182,204. At the June 30, 2015, Alma d' Arte Charter High School reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actuarial experience	\$ -	34,715
Net difference between projected and actual earnings on pension plan investments	-	211,847
Changes in proportion and differences between Alma d' Arte Charter High School contributions and proportionate share of contributions	60,094	-
Alma d' Arte Charter High School contributions subsequent to the measurement date	156,289	-
Total	\$ 216,383	246,562

\$156,289 reported as deferred outflows of resources related to pensions resulting from Alma d' Arte Charter High School contributions subsequent to the measurement date June 30, 2014 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2016	\$ 44,144
2017	44,144
2018	45,201
2019	52,979
Total	\$ 186,468

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Alma d' Arte Charter High School
 Notes to the Financial Statements
 June 30, 2015

NOTE 5. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

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

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
Alma d' Arte Charter High School's proportionate share of the net pension liability	\$ 3,170,524	2,330,211	1,628,480

Payables to the pension plan. For the year ending June 30, 2015, Alma d' Arte Charter High School's accrued liability due to ERB was \$22,270 for payroll paid in July 2015.

NOTE 6. RESTATEMENT

As a result of implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, net position at June 30, 2014 was restated in the amount of \$(2,334,475).

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STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
ALMA D' ARTE CHARTER HIGH SCHOOL
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2015

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.04%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 2,330	-	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 1,126	-	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	206.98%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30, 2014

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
ALMA D'ARTE CHARTER HIGH SCHOOL
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2015

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 148	-	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	148	-	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ -	-	-	-	-	-	-	-	-	-

Increase (Decrease) in Pension Expense over Recognition Periods

Year	Total Amount Deferred	Amortization Years	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
2014	\$ 186	5	\$ 44	44	44	45	53	-	-	-	-	-
2015	-	5		44	-	-	-	-	-	-	-	-
2016	-	5			44	-	-	-	-	-	-	-
2017	-	5				45	-	-	-	-	-	-
2018	-	5					53	-	-	-	-	-
2019	-	5						53	-	-	-	-
2020	-	5							53	-	-	-
2021	-	5								53	-	-
2022	-	5									53	-
2023	-	5										53
	\$ 186		\$ 44	44	44	45	53	-	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Alma d' Arte Charter High School
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	Original Budget	Final Budget	Actual Amount	
REVENUES				
State Grant	\$ 1,850,164	1,919,880	1,919,879	(1)
Charges for Services	3,500	3,500	2,003	(1,497)
Total Revenues	<u>1,853,664</u>	<u>1,923,380</u>	<u>1,921,882</u>	<u>(1,498)</u>
EXPENDITURES				
Current:				
Instruction	1,231,832	1,301,548	1,217,255	84,293
Support Services:				
Students	-	-	4,184	(4,184)
General Administration	24,323	24,323	17,483	6,840
School Administration	272,422	272,422	256,505	15,917
Central Services	142,899	142,899	126,434	16,465
Operation & Maintenance of Plant	271,647	271,647	202,503	69,144
Food Services Operations	10,541	10,541	10,105	436
Total Expenditures	<u>1,953,664</u>	<u>2,023,380</u>	<u>1,834,469</u>	<u>188,911</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(100,000)</u>	<u>(100,000)</u>	<u>87,413</u>	<u>187,413</u>
Other Financing Sources (Uses):				
Designated Cash	100,000	100,000	-	(100,000)
Total Other Financing Sources (Uses):	<u>100,000</u>	<u>100,000</u>	<u>-</u>	<u>(100,000)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>87,413</u>	<u>87,413</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>(28,192)</u>	<u>(28,192)</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>59,221</u>	<u>59,221</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 87,413	
Adjustments to Revenues			-	
Adjustments to Expenditures			<u>(2,339)</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 85,074</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Alma d' Arte Charter High School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Instructional Materials 14000
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
State Grant	\$ 9,608	11,330	14,158	2,828
Total Revenues	9,608	11,330	14,158	2,828
Expenditures:				
Current:				
Instruction	9,608	11,330	11,330	-
Total Expenditures	9,608	11,330	11,330	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	2,828	2,828
Net Changes in Fund Balances	-	-	2,828	2,828
Cash or Fund Balances - Beginning of Year	-	-	1,017	1,017
Cash or Fund Balances - End of Year	\$ -	-	3,845	3,845
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 2,828	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 2,828	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Alma d' Arte Charter High School
Schedule of Budgetary Comparisons - Budgetary Basis
Food Services 21000
For The Year Ended June 30, 2015

	Budgeted Amounts			Variance Positive (Negative)
	Original Budget	Final Budget	Actual Amount	
Revenues:				
Federal Grant	\$ 35,000	35,000	42,610	7,610
Charges for Services	23,000	34,000	21,383	(12,617)
Total Revenues	58,000	69,000	63,993	(5,007)
Expenditures:				
Current:				
Food Services Operations	61,662	72,662	64,876	7,786
Total Expenditures	61,662	72,662	64,876	7,786
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<i>(3,662)</i>	<i>(3,662)</i>	<i>(883)</i>	<i>2,779</i>
Other Financing Sources (Uses):				
Designated Cash	3,662	3,662	-	(3,662)
Total Other Financing Sources (Uses):	3,662	3,662	-	(3,662)
Net Changes in Fund Balances	-	-	(883)	(883)
Cash or Fund Balances - Beginning of Year	-	-	(2,803)	(2,803)
Cash or Fund Balances - End of Year	\$ -	-	(3,686)	(3,686)
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (883)	
Adjustments to Revenues			4,343	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 3,460	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Alma d' Arte Charter High School
Schedule of Budgetary Comparisons - Budgetary Basis
Title I IASA 24101
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
Federal Grant	\$ 23,841	28,894	23,575	(5,319)
Total Revenues	<u>23,841</u>	<u>28,894</u>	<u>23,575</u>	<u>(5,319)</u>
Expenditures:				
Current:				
Instruction	23,841	28,894	28,894	-
Total Expenditures	<u>23,841</u>	<u>28,894</u>	<u>28,894</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(5,319)</u>	<u>(5,319)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(5,319)</u>	<u>(5,319)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(5,319)</u>	<u>(5,319)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (5,319)	
Adjustments to Revenues			5,319	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Alma d' Arte Charter High School
Schedule of Budgetary Comparisons - Budgetary Basis
Entitlement IDEA-B 24106
For The Year Ended June 30, 2015

	Budgeted Amounts			Variance Positive (Negative)
	Original Budget	Final Budget	Actual Amount	
Revenues:				
Federal Grant	\$ 35,155	39,091	30,891	(8,200)
Total Revenues	35,155	39,091	30,891	(8,200)
Expenditures:				
Current:				
Support Services:				
Students	35,155	39,091	39,091	-
Total Expenditures	35,155	39,091	39,091	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(8,200)	(8,200)
Net Changes in Fund Balances	-	-	(8,200)	(8,200)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	(8,200)	(8,200)
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (8,200)	
Adjustments to Revenues			8,200	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Alma d' Arte Charter High School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Spaceport Grant – Dona Ana County 26204
 For The Year Ended June 30, 2015

	Budgeted Amounts			Variance Positive (Negative)
	Original Budget	Final Budget	Actual Amount	
Revenues:				
Local & County Grant	\$ -	8,360	8,360	-
Total Revenues	-	8,360	8,360	-
Expenditures:				
Current:				
Instruction	-	8,360	620	7,740
Total Expenditures	-	8,360	620	7,740
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	7,740	7,740
Net changes in fund balances	-	-	7,740	7,740
Cash or fund balances - beginning of year	-	-	-	-
Cash or fund balances - end of year	\$ -	-	7,740	7,740
Reconciliation to GAAP Basis:				
<i>Excess (deficiency) of revenues over (under) expenditures</i>			\$ 7,740	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 7,740</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Alma d' Arte Charter High School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Public School Capital Outlay 31200
 For The Year Ended June 30, 2015

	Budgeted Amounts			Variance Positive (Negative)
	Original Budget	Final Budget	Actual Amount	
Revenues:				
State Grant	\$ -	141,856	141,856	-
Total Revenues	-	141,856	141,856	-
Expenditures:				
Capital Outlay	-	141,856	141,856	-
Total Expenditures	-	141,856	141,856	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
Net Changes in Fund Balances	-	-	-	-
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	-	-
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Revenues</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Alma d' Arte Charter High School
Schedule of Collateral Pledged by Depository for Public Funds
June 30, 2015

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2015</u>
N/A	N/A	N/A	N/A	\$ -

Total Cash per Schedule of Cash Accounts: \$ 121,200
Less: FDIC coverage: (121,200)

Uninsured Public Funds: -

Collateral Requirement: -

Pledged Collateral Held by Pledging Financial Institution: -

Balance Over Collateralized: \$ -

Balance Uninsured and Uncollateralized at June 30, 2015: \$ -

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Alma d' Arte Charter High School
 Schedule of Cash Accounts
 June 30, 2015

Bank Account Type	Century Bank
Checking - Operational Account	\$ 115,572
Checking - Food Service	5,181
Checking - Student Activities	447
	121,200
<i>Total on Deposit</i>	121,200
Reconciling Items	-
	-
Reconciled Balance June 30, 2015	121,200
	121,200
Less Agency Funds	(447)
	(447)
<i>Total Cash</i>	\$ 120,753

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Alma D'Arte Charter High School
Cash Reconciliation
June 30, 2015

	Operational 11000	Instructional Materials 14000	Food Services 21000	Student Activity Fund 23000
Cash, June 30, 2014	\$ 25,601	1,017	(2,803)	4,337
Add:				
2014-15 revenues	1,921,882	14,158	63,993	9,609
Total Cash Available	1,947,483	15,175	61,190	13,946
Less:				
2014-15 expenditures	(1,834,469)	(11,330)	(64,876)	(13,499)
Receivables/Payables	4,914	-	-	-
Outstanding Loans	(2,124)	-	-	-
Cash June 30, 2015	115,804	3,845	(3,686)	447
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	(8,989)	(2,828)	8,867	-
Cash Per Books	106,815	1,017	5,181	447
Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	(49,933)	2,828	(4,524)	(447)
Fund Balance (Deficit), Modified Accrual Basis	\$ 56,882	3,845	657	-

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

Federal Projects Account 24000	Local Grants Account 26000	State Flow Through Account 27000	Public School Capital Outlay 31200	Total
(11,153)	-	(3,228)	-	13,771
<u>63,032</u>	<u>8,360</u>	<u>3,228</u>	<u>141,856</u>	<u>2,226,118</u>
51,879	8,360	-	141,856	2,239,889
(67,985)	(620)	-	(141,856)	(2,134,635)
-	-	-	-	4,914
-	-	-	-	(2,124)
<u>(16,106)</u>	<u>7,740</u>	<u>-</u>	<u>-</u>	<u>108,044</u>
<u>16,106</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>13,156</u>
<u>-</u>	<u>7,740</u>	<u>-</u>	<u>-</u>	<u>121,200</u>
Less: Activity Funds Per Schedule of Changes in Assets and Liabilities- Agency Fund:				(447)
				<u>\$ 120,753</u>
-	-	-	-	(52,076)
<u>-</u>	<u>7,740</u>	<u>-</u>	<u>-</u>	<u>69,124</u>

STATE OF NEW MEXICO

PUBLIC EDUCATION DEPARTMENT

Financial Statements
June 30, 2015

VOLUME IV



AXIOM

*Certified Public Accountants
and Business Advisors LLC*

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**STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
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STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Amy Biehl Charter High School
Statement of Net Position
June 30, 2015

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 1,183,694
Restricted Cash	12,514
Receivables	
Due from Other Governments	26,701
Other	2,313
Total Current Assets	<u>1,225,222</u>

Noncurrent Assets:

Capital Assets	
Land	33,950
Building and Improvements	4,019,328
Furniture, Fixtures, and Equipment	189,513
Less: Accumulated Depreciation	<u>(1,200,899)</u>
Total Noncurrent Assets	<u>3,041,892</u>
Total Assets	<u>4,267,114</u>

Deferred Outflows - Pension Related	<u>270,306</u>
--	----------------

LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accounts Payable	5,944
Accrued Liabilities	1,091
Total Current Liabilities	<u>7,035</u>

Noncurrent Liabilities:

Net Pension Liability	<u>3,791,949</u>
Total Noncurrent Liabilities	<u>3,791,949</u>
Total Liabilities	<u>3,798,984</u>

Deferred Inflows - Pension Related	<u>414,672</u>
---	----------------

NET POSITION

Investment in Capital Assets	3,041,892
Restricted	513,420
Unrestricted (Deficit)	<u>(3,231,548)</u>
Total Net Position	<u>\$ 323,764</u>

The accompanying notes are an integral part of these financial statements

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STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Amy Biehl Charter High School
Statement of Activities
For The Year Ended June 30, 2015

Functions/Programs	Program Revenues				Net (Expenses) Revenues and Changes in Net Position
	Expenses	Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 1,620,689	19,732	313,119	-	(1,287,838)
Support Services:					
Students	587,494	-	-	-	(587,494)
Instruction	74,026	-	-	-	(74,026)
General Administration	166,430	-	-	-	(166,430)
School Administration	245,396	-	-	-	(245,396)
Central Services	165,194	-	-	-	(165,194)
Operation & Maintenance of Plant	244,627	-	-	-	(244,627)
Other Support Services	192,237	-	-	-	(192,237)
Student Transportation	6,000	-	-	-	(6,000)
Food Services	50,339	6,330	32,802	-	(11,207)
Facilities Materials, Supplies & Other Services	211,010	-	-	11,613	(199,397)
Total Governmental Activities	\$ 3,563,442	26,062	345,921	11,613	(3,179,846)
General Revenues:					
Property Taxes					\$ 267,606
State Equalization Guarantee					2,790,826
Miscellaneous					123,813
Total General Revenues					<u>3,182,245</u>
Change in Net Position					2,399
Net Position, Beginning of Year					4,269,673
Restatement					(3,948,308)
Net Position, as Restated					<u>321,365</u>
Net position, Ending					<u>\$ 323,764</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Amy Biehl Charter High School
Balance Sheets - Governmental Funds
June 30, 2015

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101
ASSETS				
Cash and Cash Equivalents	\$ 586,007	8,495	19	-
Restricted Cash	-	-	-	-
Accounts Receivable				
Due from Government	700	-	605	5,651
Due from Other Funds	19,336	-	-	-
Other	350	-	-	-
Total Assets	\$ 606,393	8,495	624	5,651
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 2,075	-	605	-
Accrued Expenditures	-	-	-	-
Due to Other Funds	-	-	-	5,651
Total Liabilities	2,075	-	605	5,651
Fund Balances				
Fund Balance:				
Restricted for:				
Instruction	-	8,495	-	-
Food Service Operations	-	-	19	-
Capital Improvements	-	-	-	-
Unassigned	604,318	-	-	-
Total Fund Balance	604,318	8,495	19	-
Total Liabilities and Fund Balances	\$ 606,393	8,495	624	5,651

IDEA-B Entitlement 24106	IDEA-B Risk Pool 24120	Teacher Principal Training 24154	Title I School Improvement 24162	Amy Biehl High School Foundation 26187	Dual Credit Instructional Materials 27103
-	-	-	-	-	-
-	-	-	-	-	-
1,193	-	2,034	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>1,193</u>	<u>-</u>	<u>2,034</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
1,193	-	2,034	-	-	-
<u>1,193</u>	<u>-</u>	<u>2,034</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>1,193</u>	<u>-</u>	<u>2,034</u>	<u>-</u>	<u>-</u>	<u>-</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Amy Biehl Charter High School
Balance Sheets - Governmental Funds (Continued)
June 30, 2015

	Beginning Teacher Mentoring 27154	Public School Capital Outlay 31200	Special Capital Outlay State 31400	HB-33 Capital Improvements 31600
ASSETS				
Cash and Cash Equivalents	\$ 5,494	-	-	448,245
Restricted Cash	-	-	-	-
Accounts Receivable				
Due from Government	-	-	10,458	4,172
Due from Other Funds	-	-	-	-
Other	-	-	-	-
Total Assets	<u>\$ 5,494</u>	<u>-</u>	<u>10,458</u>	<u>452,417</u>
LIABILITIES AND FUND BALANCES				
<i>Liabilities:</i>				
Accounts Payable	\$ -	-	-	-
Accrued Expenditures	-	-	-	-
Due to Other Funds	-	-	10,458	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>10,458</u>	<u>-</u>
<i>Fund Balances</i>				
Fund Balance:				
Restricted for:				
Instruction	5,494	-	-	-
Food Service Operations	-	-	-	-
Capital Improvements	-	-	-	452,417
Unassigned	-	-	-	-
Total Fund Balance	<u>5,494</u>	<u>-</u>	<u>-</u>	<u>452,417</u>
Total Liabilities and Fund Balances	<u>\$ 5,494</u>	<u>-</u>	<u>10,458</u>	<u>452,417</u>

SB-9 Capital Improvements 31700	Foundation	Total
45,107	90,327	1,183,694
-	12,514	12,514
1,888	-	26,701
-	-	19,336
-	1,963	2,313
<u>46,995</u>	<u>104,804</u>	<u>1,244,558</u>
-	3,264	5,944
-	1,091	1,091
-	-	19,336
<u>-</u>	<u>4,355</u>	<u>26,371</u>
-	-	13,989
-	-	19
46,995	-	499,412
-	100,449	704,767
<u>46,995</u>	<u>100,449</u>	<u>1,218,187</u>
<u>46,995</u>	<u>104,804</u>	<u>1,244,558</u>

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STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Amy Biehl Charter High School
 Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
 June 30, 2015

Fund Balance - Total Governmental Funds **\$ 1,218,187**

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

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

Capital Assets	4,242,791	
Accumulated Depreciation	<u>(1,200,899)</u>	
		3,041,892

Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds. 270,306

Long-term liabilities are not due in the current period and, therefore, are not reported in the funds.
 Net Pension Liability (3,791,949)

Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds. (414,672)

Net Position-Total Governmental Activities **\$ 323,764**

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Amy Biehl Charter High School
Statement of Revenues, Expenditures, and Changes In Fund Balances
Governmental Funds
For The Year Ended June 30, 2015

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101
REVENUES				
Property Taxes	\$ -	-	-	-
Local & County Grant	3,276	131	605	-
State Grant	2,790,826	21,344	-	-
Federal Grant	-	-	32,197	67,155
Charges for Services	19,732	-	6,330	-
Miscellaneous Income	-	-	-	-
Total Revenues	<u>2,813,834</u>	<u>21,475</u>	<u>39,132</u>	<u>67,155</u>
EXPENDITURES				
Current:				
Instruction	1,397,936	20,391	-	67,155
Support Services:				
Students	511,555	-	-	-
Instruction	74,266	-	-	-
General Administration	164,392	-	-	-
School Administration	243,489	-	-	-
Central Services	165,793	-	-	-
Operation & Maintenance of Plant	244,868	-	-	-
Student Transportation	6,000	-	-	-
Other Support Services Operations	-	-	-	-
Food Services Operations	10,868	-	39,113	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>2,819,167</u>	<u>20,391</u>	<u>39,113</u>	<u>67,155</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(5,333)</u>	<u>1,084</u>	<u>19</u>	<u>-</u>
Net Changes in Fund Balances	<u>(5,333)</u>	<u>1,084</u>	<u>19</u>	<u>-</u>
Fund Balances - Beginning of Year	<u>609,651</u>	<u>7,411</u>	<u>-</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ 604,318</u>	<u>8,495</u>	<u>19</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements

IDEA-B Entitlement 24106	IDEA-B Risk Pool 24120	Teacher Principal Training 24154	Title I School Improvement 24162	Amy Biehl High School Foundation 26187	Dual Credit Instructional Materials 27103
-	-	-	-	-	-
-	-	-	-	72,000	-
-	-	-	-	-	4,103
54,148	76,776	5,186	9,000	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>54,148</u>	<u>76,776</u>	<u>5,186</u>	<u>9,000</u>	<u>72,000</u>	<u>4,103</u>
49,274	33,177	2,025	9,000	44,344	4,103
4,874	43,599	2,686	-	27,298	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	475	-	2,512	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	358	-
-	-	-	-	-	-
<u>54,148</u>	<u>76,776</u>	<u>5,186</u>	<u>9,000</u>	<u>74,512</u>	<u>4,103</u>
-	-	-	-	(2,512)	-
-	-	-	-	(2,512)	-
-	-	-	-	2,512	-
-	-	-	-	-	-

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Amy Biehl Charter High School
Statement of Revenues, Expenditures, and Changes In Fund Balances - Continued
Governmental Funds
For The Year Ended June 30, 2015

	Beginning Teacher Mentoring 27154	Public School Capital Outlay 31200	Special Capital Outlay State 31400	HB-33 Capital Improvements 31600
REVENUES				
Property Taxes	\$ -	-	-	179,798
Local & County Grant	-	-	-	-
State Grant	-	1,155	10,458	-
Federal Grant	-	-	-	-
Charges for Services	-	-	-	-
Miscellaneous Income	-	-	-	-
Total Revenues	<u>-</u>	<u>1,155</u>	<u>10,458</u>	<u>179,798</u>
EXPENDITURES				
Current:				
Instruction	-	-	-	-
Support Services:				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	1,776
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services Operations	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	1,155	10,458	51,818
Total Expenditures	<u>-</u>	<u>1,155</u>	<u>10,458</u>	<u>53,594</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>126,204</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>126,204</u>
Fund Balances - Beginning of Year	<u>5,494</u>	<u>-</u>	<u>-</u>	<u>326,213</u>
Fund Balances - End of Year	<u>\$ 5,494</u>	<u>-</u>	<u>-</u>	<u>452,417</u>

The accompanying notes are an integral part of these financial statements

SB-9 Capital Improvements 31700	Foundation	Total
87,808	-	267,606
-	-	76,012
-	-	2,827,886
-	-	244,462
-	-	26,062
-	123,813	123,813
<u>87,808</u>	<u>123,813</u>	<u>3,565,841</u>
-	-	1,627,405
-	-	590,012
-	-	74,266
861	-	167,029
-	-	246,476
-	-	165,793
-	-	244,868
-	-	6,000
-	192,237	192,237
-	-	50,339
84,457	-	147,888
<u>85,318</u>	<u>192,237</u>	<u>3,512,313</u>
<u>2,490</u>	<u>(68,424)</u>	<u>53,528</u>
<u>2,490</u>	<u>(68,424)</u>	<u>53,528</u>
<u>44,505</u>	<u>168,873</u>	<u>1,164,659</u>
<u><u>46,995</u></u>	<u><u>100,449</u></u>	<u><u>1,218,187</u></u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Amy Biehl Charter High School
 Reconciliation of the Statement of Revenues, Expenditures, and Changes
 in Fund Balances of Governmental Funds to the Statement of Activities
 For the Year Ended June 30, 2015

Net Change in Fund Balances-Total Governmental Funds **\$ 53,528**

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

Capital outlays to purchase or build capital assets are reported in
 governmental funds as expenditures. However, for governmental activities
 those costs are shown in the Statement of Net Position and allocated over
 their estimated useful lives as annual depreciation expenses in the
 Statement of Activities. This is the amount by which capital outlay exceeds
 depreciation for the period

Capital Outlays	59,123	
Depreciation Expense	<u>(122,245)</u>	(63,122)

The issuance of long-term debt (e.g., bonds, notes, leases) provide current
 financial resources to governmental funds, while the repayment of the
 principal of long-term debt consumes the current financial resources of
 governmental funds. Neither transaction, however, has any effect on net
 position.

Change in Net Pension Liability	<u>11,993</u>	
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Change in Net Position-Total Governmental Activities **\$ 2,399**

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Amy Biehl Charter High School
 Statement of Fiduciary Assets and Liabilities- Agency Funds
 June 30, 2015

	<u>Agency</u>
ASSETS	
Cash in Bank	<u>\$ 11,802</u>
Total Assets	<u><u>\$ 11,802</u></u>
LIABILITIES	
Deposits Held for Others	<u>\$ 11,802</u>
Total Liabilities	<u><u>\$ 11,802</u></u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Amy Biehl Charter High School
 Schedule of Changes in Assets and Liabilities - Agency Funds
 For The Year Ended June 30, 2015

	<u>Balance</u> <u>July 1, 2014</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2015</u>
ASSETS				
Cash in Bank	\$ 10,685	10,312	(9,195)	11,802
Total Assets	<u>\$ 10,685</u>	<u>10,312</u>	<u>(9,195)</u>	<u>11,802</u>
LIABILITIES				
Deposits Held for Others	\$ 10,685	10,312	(9,195)	11,802
Total Liabilities	<u>\$ 10,685</u>	<u>10,312</u>	<u>(9,195)</u>	<u>11,802</u>

The accompanying notes are an integral part of these financial statements

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Capital Assets. Capital assets purchased or acquired are 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 Amy Biehl Charter High School's capitalization policy (i.e., the dollar value above which the asset acquisitions are added to the capital accounts) is \$5,000. The Amy Biehl Charter High School does not capitalize any interest with regard to its capital assets.

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

Furniture, Fixtures and Equipment	5 years
Buildings and Improvements	40 years

Capital assets for the Amy Biehl Charter High School are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB's Fiduciary Net Position have been determined on the economic resources measurement focus and accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Amy Biehl Charter High School
Notes to the Financial Statements
June 30, 2015

NOTE 2. CAPITAL ASSETS

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

	<u>Balance</u> <u>June 30, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2015</u>
<i>Capital Assets being Depreciated:</i>				
Furniture, Fixtures and Equipment	\$ 171,202	18,311	-	189,513
Land and Improvements	33,950	-	-	33,950
Building and Improvements	3,978,516	40,812	-	4,019,328
<i>Total</i>	<u>4,183,668</u>	<u>59,123</u>	<u>-</u>	<u>4,242,791</u>
<i>Less: Accumulated Depreciation</i>				
Furniture, fixtures and equipment	(129,871)	(20,613)	-	(150,484)
Land and Land Improvements	(4,782)	(871)	-	(5,653)
Building and improvements	(944,001)	(100,761)	-	(1,044,762)
<i>Total</i>	<u>(1,078,654)</u>	<u>(122,245)</u>	<u>-</u>	<u>(1,200,899)</u>
Capital Assets, Net	<u>\$ 3,105,014</u>	<u>(63,122)</u>	<u>-</u>	<u>3,041,892</u>

Depreciation expensed for the year ended June 30, 2015 was expensed to the following functions:

Facilities, Materials, Supplies & Other Services	\$ 122,245
Total	<u>\$ 122,245</u>

NOTE 3. COMMITMENTS AND LIABILITIES

The Amy Biehl Charter High School leased equipment and facilities under long-term cancelable operating leases. Rental expense for the year ended June 30, 2015 was \$13,196. The Amy Biehl Charter High School's minimum future payments on this lease are as follows:

Year Ending June 30:	
2016	\$ 239,075
2017	12,372
2018	8,248
Total	<u>\$ 259,695</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Amy Biehl Charter High School
Notes to the Financial Statements
June 30, 2015

NOTE 4. BUDGETARY OVERAGES

Amy Biehl Charter High School has expended in excess of the budget in the following fund and function:

Fund 26187 Amy Biehl High School Foundation	
Support Services	\$ 98

NOTE 5. RELATED PARTY TRANSACTIONS

The Amy Biehl Charter High School created a Foundation to purchase a school building. The Foundation is considered a component unit of the Amy Biehl Charter High School and is presented as a blended component unit.

NOTE 6. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to the Amy Biehl Charter High School and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions. The contribution requirements of defined benefit plan members and Amy Biehl Charter High School are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year ended June 30, 2014 employers contributed 13.15% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.10% of their gross annual salary. For fiscal year ended June 30, 2015 employers contributed 13.90%, and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 contributed an increased amount of 10.70% of their gross annual salary. Contributions to the pension plan from Amy Biehl Charter High School were \$270,306 for the year ended June 30, 2015.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Amy Biehl Charter High School
Notes to the Financial Statements
June 30, 2015

NOTE 6. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2013. The total ERB pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2014, using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date June 30, 2014. At June 30, 2015, Amy Biehl Charter High School reported a liability of \$3,791,949 for its proportionate share of the net pension liability. Amy Biehl Charter High School's proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2014. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2014, Amy Biehl Charter High School's proportion was 0.06645% percent, which was a decrease of 0.00029% from its proportion measured as of June 30, 2013.

For the year ended June 30, 2015, Amy Biehl Charter High School recognized pension expense of \$258,313. At the June 30, 2015, Amy Biehl Charter High School reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	56,481
Changes in assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	344,672
Changes in proportion and differences between Amy Biehl Charter High School contributions and proportionate share of contributions	-	13,519
Amy Biehl Charter High School contributions subsequent to the measurement date	<u>270,306</u>	<u>-</u>
Total	<u>\$ 270,306</u>	<u>414,672</u>

\$270,306 reported as deferred outflows of resources related to pensions resulting from Amy Biehl Charter High School contributions subsequent to the measurement date June 30, 2014

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Amy Biehl Charter High School
Notes to the Financial Statements
June 30, 2015

NOTE 6. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2016	\$ 110,470
2017	110,470
2018	107,554
2019	<u>86,178</u>
Total	<u>\$ 414,672</u>

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

	<u>1% Decrease (6.75%)</u>	<u>Current Discount Rate (7.75%)</u>	<u>1% Increase (8.75%)</u>
Amy Biehl Charter High School's proportionate share of the net pension liability	<u>\$ 5,158,706</u>	<u>3,791,949</u>	<u>2,649,509</u>

NOTE 7. RESTATEMENT

As a result of implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, net position at June 30, 2014 was restated in the amount of \$(3,948,308).

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STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Amy Biehl Charter High School

SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2015

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.07%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 3,792	-	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 1,832	-	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	207.02%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30, 2014

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Amy Biehl Charter High School
 SCHEDULE OF SCHOOL CONTRIBUTIONS
 June 30, 2015

New Mexico Educational Retirement Board Pension Plan
 Schedule of Ten Year Tracking Data
 (Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 241	-	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	241	-	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ -	-	-	-	-	-	-	-	-	-

Year	Total Amount Deferred	Amortization Years	Increase (Decrease) in Pension Expense over Recognition Periods											
			2015	2016	2017	2018	2019	2020	2021	2022	2023	2024		
2014	\$ 415	5	\$ 110	110	108	87	-	-	-	-	-	-	-	-
2015	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2016	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2017	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2018	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2019	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2020	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2021	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2022	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2023	-	5	-	-	-	-	-	-	-	-	-	-	-	-
	\$ 415		\$ 110	110	108	87	-	-	-	-	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Amy Biehl Charter High School
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Local & County Grant	\$ 16,483	18,672	6,924	(11,748)
State Grant	2,801,502	2,797,009	2,797,009	-
Charges for Services	18,950	18,950	19,732	782
Total Revenues	2,836,935	2,834,631	2,823,665	(10,966)
EXPENDITURES				
Current:				
Instruction	1,630,640	1,627,836	1,398,519	229,317
Support Services:				
Students	652,349	652,849	511,555	141,294
Instruction	85,272	85,272	74,266	11,006
General Administration	191,768	191,768	163,646	28,122
School Administration	293,645	293,645	243,489	50,156
Central Services	203,884	203,884	165,495	38,389
Operation & Maintenance of Plant	340,598	340,598	246,901	93,697
Student Transportation	7,400	7,400	6,000	1,400
Food Services Operations	23,575	23,575	10,345	13,230
Total Expenditures	3,429,131	3,426,827	2,820,216	606,611
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<i>(592,196)</i>	<i>(592,196)</i>	<i>3,449</i>	<i>595,645</i>
Net Changes in Fund Balances	(592,196)	(592,196)	3,449	595,645
Cash or Fund Balances - Beginning of Year	609,651	609,651	609,651	-
Cash or Fund Balances - End of Year	\$ 17,455	17,455	613,100	595,645
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 3,449	
Adjustments to Revenues			(556)	
Adjustments to Expenditures			(8,226)	
NET CHANGE IN FUND BALANCE			\$ (5,333)	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Amy Biehl Charter High School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Instructional Materials 14000
 For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Local & County Grant	\$ -	-	131	131
State Grant	15,367	21,344	21,344	-
Total Revenues	15,367	21,344	21,475	131
EXPENDITURES				
Current:				
Instruction	15,367	21,344	20,391	953
Total Expenditures	15,367	21,344	20,391	953
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	1,084	1,084
Net Changes in Fund Balances	-	-	1,084	1,084
Cash or Fund Balances - Beginning of Year	7,411	7,411	7,411	-
Cash or Fund Balances - End of Year	\$ 7,411	7,411	8,495	1,084
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 1,084	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 1,084	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Amy Biehl Charter High School
Schedule of Budgetary Comparisons - Budgetary Basis
Food Services 21000
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 28,350	38,350	32,197	(6,153)
Charges for Services	6,650	6,650	6,330	(320)
Total Revenues	35,000	45,000	38,527	(6,473)
EXPENDITURES				
Current:				
Food Services Operations	35,000	45,000	38,508	6,492
Total Expenditures	35,000	45,000	38,508	6,492
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	19	19
Net Changes in Fund Balances	-	-	19	19
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	19	19
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 19	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 19	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Amy Biehl Charter High School
Schedule of Budgetary Comparisons - Budgetary Basis
Title I IASA 24101
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 66,339	76,802	68,333	(8,469)
Total Revenues	<u>66,339</u>	<u>76,802</u>	<u>68,333</u>	<u>(8,469)</u>
EXPENDITURES				
Current:				
Instruction	66,339	76,802	67,155	9,647
Total Expenditures	<u>66,339</u>	<u>76,802</u>	<u>67,155</u>	<u>9,647</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	1,178	1,178
Net Changes in Fund Balances	-	-	1,178	1,178
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>1,178</u>	<u>1,178</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 1,178	
Adjustments to Revenues			(1,178)	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Amy Biehl Charter High School
 Schedule of Budgetary Comparisons - Budgetary Basis
 IDEA-B Entitlement 24106
 For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 48,691	54,148	66,502	12,354
Total Revenues	48,691	54,148	66,502	12,354
EXPENDITURES				
Current:				
Instruction	48,691	49,274	49,274	-
Support Services:				
Students	-	4,874	4,874	-
Total Expenditures	48,691	54,148	54,148	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	12,354	12,354
Net Changes in Fund Balances	-	-	12,354	12,354
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	12,354	12,354
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 12,354	
Adjustments to Revenues			(12,354)	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Amy Biehl Charter High School
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Risk Pool 24120
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ -	76,776	76,776	-
Total Revenues	-	76,776	76,776	-
EXPENDITURES				
Current:				
Instruction	-	33,177	33,177	-
Support Services:				
Students	-	43,599	43,599	-
Total Expenditures	-	76,776	76,776	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
Net Changes in Fund Balances	-	-	-	-
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	-	-
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Amy Biehl Charter High School
Schedule of Budgetary Comparisons - Budgetary Basis
Teacher Principal Training 24154
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 10,326	13,592	6,187	(7,405)
Total Revenues	<u>10,326</u>	<u>13,592</u>	<u>6,187</u>	<u>(7,405)</u>
EXPENDITURES				
Current:				
Instruction	7,800	7,800	2,025	5,775
Support Services:				
Students	1,000	4,266	2,686	1,580
School Administration	1,526	1,526	475	1,051
Total expenditures	<u>10,326</u>	<u>13,592</u>	<u>5,186</u>	<u>8,406</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	1,001	1,001
Net changes in Fund Balances	-	-	1,001	1,001
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>1,001</u>	<u>1,001</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 1,001	
Adjustments to Revenues			(1,001)	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Amy Biehl Charter High School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Title I School Improvement 24162
 For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 10,000	10,000	9,000	(1,000)
Total Revenues	<u>10,000</u>	<u>10,000</u>	<u>9,000</u>	<u>(1,000)</u>
EXPENDITURES				
Current:				
Instruction	-	10,000	9,000	1,000
Support Services:				
School Administration	10,000	-	-	-
Total Expenditures	<u>10,000</u>	<u>10,000</u>	<u>9,000</u>	<u>1,000</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Amy Biehl Charter High School
Schedule of Budgetary Comparisons - Budgetary Basis
Amy Biehl High School Foundation 26187
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Local & County Grant	\$ 72,000	72,000	72,000	-
Total Revenues	<u>72,000</u>	<u>72,000</u>	<u>72,000</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	42,500	44,344	44,344	-
Support Services:				
Students	27,498	27,298	27,298	-
Instruction	1,989	-	-	-
School Administration	425	2,414	2,512	(98)
Food Services Operations	2,000	358	358	-
Total Expenditures	<u>74,412</u>	<u>74,414</u>	<u>74,512</u>	<u>(98)</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(2,412)</u>	<u>(2,414)</u>	<u>(2,512)</u>	<u>(98)</u>
Net Changes in Fund Balances	<u>(2,412)</u>	<u>(2,414)</u>	<u>(2,512)</u>	<u>(98)</u>
Cash or Fund Balances - Beginning of Year	<u>2,512</u>	<u>2,512</u>	<u>2,512</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ 100</u>	<u>98</u>	<u>-</u>	<u>(98)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (2,512)	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (2,512)</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Amy Biehl Charter High School
Schedule of Budgetary Comparisons - Budgetary Basis
Dual Credit Instructional Materials 27103
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	4,103	7,566	3,463
Total Revenues	<u>-</u>	<u>4,103</u>	<u>7,566</u>	<u>3,463</u>
EXPENDITURES				
Current:				
Instruction	-	4,103	4,103	-
Total Expenditures	<u>-</u>	<u>4,103</u>	<u>4,103</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>3,463</u>	<u>3,463</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>3,463</u>	<u>3,463</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>3,463</u>	<u>3,463</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 3,463	
Adjustments to Revenues			(3,463)	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Amy Biehl Charter High School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Beginning Teacher Mentoring 27154
 For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
<i>Total Revenues</i>	\$ -	-	-	-
EXPENDITURES				
<i>Total Expenditures</i>	-	-	-	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
<i>Net Changes in Fund Balances</i>	-	-	-	-
<i>Cash or Fund Balances - Beginning of Year</i>	5,494	5,494	5,494	-
<i>Cash or Fund Balances - End of Year</i>	\$ 5,494	5,494	5,494	-
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Amy Biehl Charter High School
Schedule of Budgetary Comparisons - Budgetary Basis
Public School Capital Outlay 31200
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	1,155	1,155	-
Total Revenues	<u>-</u>	<u>1,155</u>	<u>1,155</u>	<u>-</u>
EXPENDITURES				
Current:				
Capital Outlay	-	1,155	1,155	-
Total Expenditures	<u>-</u>	<u>1,155</u>	<u>1,155</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Amy Biehl Charter High School
Schedule of Budgetary Comparisons - Budgetary Basis
Special Capital Outlay State 31400
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 43,750	43,750	-	(43,750)
Total Revenues	43,750	43,750	-	(43,750)
EXPENDITURES				
Capital Outlay	43,750	43,750	10,458	33,292
Total Expenditures	43,750	43,750	10,458	33,292
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(10,458)	(10,458)
Net Changes in Fund Balances	-	-	(10,458)	(10,458)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	(10,458)	(10,458)
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (10,458)	
Adjustments to Revenues			10,458	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Amy Biehl Charter High School
Schedule of Budgetary Comparisons - Budgetary Basis
HB-33 Capital Improvements 31600
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Property Taxes	\$ 176,900	176,900	179,368	2,468
Total Revenues	<u>176,900</u>	<u>176,900</u>	<u>179,368</u>	<u>2,468</u>
EXPENDITURES				
Current:				
Support Services:				
General Administration	1,772	1,772	1,772	-
Capital Outlay	502,129	502,129	66,139	435,990
Total Expenditures	<u>503,901</u>	<u>503,901</u>	<u>67,911</u>	<u>435,990</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(327,001)</u>	<u>(327,001)</u>	<u>111,457</u>	<u>438,458</u>
Net Changes in Fund Balances	<u>(327,001)</u>	<u>(327,001)</u>	<u>111,457</u>	<u>438,458</u>
Cash or Fund Balances - Beginning of Year	<u>336,788</u>	<u>336,788</u>	<u>336,788</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ 9,787</u>	<u>9,787</u>	<u>448,245</u>	<u>438,458</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 111,457	
Adjustments to Revenues			430	
Adjustments to Expenditures			<u>14,317</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 126,204</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Amy Biehl Charter High School
Schedule of Budgetary Comparisons - Budgetary Basis
SB-9 Capital Improvements 31700
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Property Taxes	\$ 88,543	88,543	87,534	(1,009)
State Grant	5,208	12,178	1,820	(10,358)
Total Revenues	93,751	100,721	89,354	(11,367)
EXPENDITURES				
Current:				
Support Services:				
General Administration	886	886	858	28
Capital Outlay	140,753	147,723	84,987	62,736
Total Expenditures	141,639	148,609	85,845	62,764
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<i>(47,888)</i>	<i>(47,888)</i>	<i>3,509</i>	<i>51,397</i>
Net Changes in Fund Balances	(47,888)	(47,888)	3,509	51,397
Cash or Fund Balances - Beginning of Year	44,505	44,505	44,505	-
Cash or Fund Balances - End of Year	\$ (3,383)	(3,383)	48,014	51,397
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 3,509	
Adjustments to Revenues			(1,549)	
Adjustments to Expenditures			530	
NET CHANGE IN FUND BALANCE			\$ 2,490	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Amy Biehl Charter High School
Schedule of Collateral Pledged by Depository for Public Funds
June 30, 2015

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2015</u>
US Bank	FHLMC FGLMC	31283HWP6	7/1/2042	\$ 90,876
US Bank	FHLMC GOLD POOL	312967V74	11/1/2041	414,131
US Bank	FHLMC GOLD POOL	31294KQ65	5/1/2018	99,856
US Bank	FHLMC GOLD REMIC	3137B2SK7	6/15/2043	238,630
				<u>\$ 843,493</u>

Total Cash per Schedule of Cash Accounts:	\$ 1,286,249
Less: FDIC coverage:	<u>(250,000)</u>
Uninsured Public Funds:	1,036,249
Collateral Requirement:	518,125
Pledged Collateral Held by Pledging Financial Institution:	<u>843,493</u>
Balance Over Collateralized:	<u>\$ 325,368</u>
Balance Uninsured and Uncollateralized at June 30, 2015:	<u>\$ 192,756</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Amy Biehl Charter High School
 Schedule of Cash Accounts
 June 30, 2015

Bank Account Type	US Bank	New Mexico Bank & Trust	Total
Checking - Operational Account	\$ 957,925	-	957,925
Checking - Operational Account	-	222,414	222,414
Checking - Activity Account	14,855	-	14,855
Checking - Foundation	25,868	-	25,868
Money Market - Foundation	11,768	-	11,768
Money Market - Foundation - Restricted	28,309	-	28,309
CD - Foundation	25,110	-	25,110
Total on Deposit	1,063,835	222,414	1,286,249
Reconciling Items	(90,753)	-	(90,753)
Reconciled Balance June 30, 2015	\$ 973,082	222,414	1,195,496
Less Agency Funds			(11,802)
Total Cash			\$ 1,183,694

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Amy Biehl Charter High School
Cash Reconciliation
June 30, 2015

	Operational 11000	Instructional Materials 14000	Food Services 21000	Non-Instruct. Fund 23000	Federal Projects Account 24000
Cash, June 30, 2014	\$ 602,864	7,411	-	10,685	(23,411)
Add:					
2014-15 revenues	<u>2,823,665</u>	<u>21,475</u>	<u>38,527</u>	<u>10,312</u>	<u>226,798</u>
Total Cash Available	3,426,529	28,886	38,527	20,997	203,387
Less:					
2014-15 expenditures	(2,820,216)	(20,391)	(38,508)	(9,195)	(212,265)
Receivables/Payables	(970)	-	-	-	-
Outstanding Loans	-	-	-	-	-
Cash June 30, 2015	<u>605,343</u>	<u>8,495</u>	<u>19</u>	<u>11,802</u>	<u>(8,878)</u>
Fund Balance Reconciliations to GAAP Basis:					
Audit reclassifications to cash	(19,336)	-	-	-	8,878
Cash Per Books	<u>586,007</u>	<u>8,495</u>	<u>19</u>	<u>11,802</u>	<u>-</u>
Fund Balance Reconciliation to GAAP Basis:					
Modified Accrual Adjustments	18,311	-	-	(11,802)	-
Fund Balance, Modified Accrual Basis	<u>\$ 604,318</u>	<u>8,495</u>	<u>19</u>	<u>-</u>	<u>-</u>

Local Grant Funds 26000	State Account 27000	Public School Capital Outlay 31200	Special Capital Outlay State 31400	HB-33 Capital Improvements 31600	SB-9 Capital Improvements 31700	Total
2,512	2,031	-	-	336,788	41,599	980,479
<u>72,000</u>	<u>7,566</u>	<u>1,155</u>	<u>-</u>	<u>179,368</u>	<u>89,354</u>	<u>3,470,220</u>
74,512	9,597	1,155	-	516,156	130,953	4,450,699
(74,512)	(4,103)	(1,155)	(10,458)	(67,911)	(85,846)	(3,344,560)
-	-	-	-	-	-	(970)
-	-	-	-	-	-	-
-	<u>5,494</u>	<u>-</u>	<u>(10,458)</u>	<u>448,245</u>	<u>45,107</u>	<u>1,105,169</u>
-	-	-	<u>10,458</u>	-	-	-
-	<u>5,494</u>	<u>-</u>	<u>-</u>	<u>448,245</u>	<u>45,107</u>	<u>1,105,169</u>
						Less: Activity Funds Per Schedule of Changes in Assets and Liabilities- Agency Fund: (11,802)
						Balance Sheet-Foundation: 90,327
						Plus Foundation Restricted Held by ACF: 12,514
						<u>\$ 1,196,208</u>
-	-	-	-	4,172	1,888	12,569
-	<u>5,494</u>	<u>-</u>	<u>-</u>	<u>452,417</u>	<u>46,995</u>	<u>1,117,738</u>
					Add: Foundation:	<u>100,449</u>
					Balance Sheets - Governmental Funds:	<u>\$ 1,218,187</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Anthony Charter School
Statement of Net Position
June 30, 2015

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 341,935
Receivables	
Due from Other Governments	7,436
Total Current Assets	<u>349,371</u>

Noncurrent Assets:

Capital Assets	
Building and Improvements	724,827
Furniture, Fixtures, and Equipment	19,873
Less: Accumulated Depreciation	<u>(56,114)</u>
Total Noncurrent Assets	<u>688,586</u>
Total Assets	<u>1,037,957</u>

Deferred Outflows - Pension Related	<u>51,476</u>
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LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accounts Payable	16,737
Accrued Liabilities	<u>46,653</u>
Total Current Liabilities	<u>63,390</u>

Noncurrent Liabilities:

Net Pension Liability	<u>821,048</u>
Total Noncurrent Liabilities	<u>821,048</u>
Total Liabilities	<u>884,438</u>

Deferred Inflows - Pension Related	<u>202,448</u>
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NET POSITION

Investment in Capital Assets	688,586
Restricted	61,352
Unrestricted(Defecit)	<u>(747,391)</u>
Total Net Position	<u>\$ 2,547</u>

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Anthony Charter School
Statement of Activities
For The Year Ended June 30, 2015

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental Activities:					
Instruction	\$ 345,152	120	35,372	-	(309,660)
Support Services:					
Students	5,330	-	-	-	(5,330)
Instruction	2,915	-	-	-	(2,915)
General Administration	78,618	-	-	-	(78,618)
School Administration	193,907	-	-	-	(193,907)
Central Services	88,273	-	-	-	(88,273)
Operation & Maintenance of Plant	73,601	-	-	-	(73,601)
Food Services	46,936	-	26,293	-	(20,643)
Facilities Materials, Supplies & Other Services	73,882	-	-	39,432	(34,450)
Total Governmental Activities	\$ 908,614	120	61,665	39,432	(807,397)
General Revenues:					
Property Taxes				\$	7,858
State Equalization Guarantee					751,129
Total General Revenues					<u>758,987</u>
Change in Net Position					(48,410)
Net Position, Beginning					1,057,689
Restatement					<u>(1,006,732)</u>
Net Position, as Restated					50,957
Net Position, Ending				\$	<u>2,547</u>

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Anthony Charter School
Balance Sheets - Governmental Funds
June 30, 2015

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101
ASSETS				
Cash and Cash Equivalents	\$ 286,419	8,946	-	-
Accounts Receivable				
Due from Government	-	-	-	1,019
Due from Other Funds	537	-	-	-
Total Assets	<u>286,956</u>	<u>8,946</u>	<u>-</u>	<u>1,019</u>
 <i>Total Assets</i>	 <u>\$ 286,956</u>	 <u>8,946</u>	 <u>-</u>	 <u>1,019</u>
 LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 16,737	-	-	-
Accrued Expenditures	45,590	-	-	499
Due to Other Funds	-	-	-	520
Total Liabilities	<u>62,327</u>	<u>-</u>	<u>-</u>	<u>1,019</u>
 Fund Balances				
Fund Balance:				
Restricted for:				
Instruction	-	8,946	-	-
Capital Improvements	-	-	-	-
Unassigned	224,629	-	-	-
Total Fund Balance	<u>224,629</u>	<u>8,946</u>	<u>-</u>	<u>-</u>
 <i>Total Liabilities and Fund Balances</i>	 <u>\$ 286,956</u>	 <u>8,946</u>	 <u>-</u>	 <u>1,019</u>

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

IDEA-B Entitlement 24106	IDEA-B Risk Pool 24120	Medicaid 3 - 21 Years 25153	Spaceport Grant 26204	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Total Government
495	-	160	18,041	12,467	15,407	341,935
69	17	-	6,192	-	139	7,436
-	-	-	-	-	-	537
564	17	160	24,233	12,467	15,546	349,908
564	17	160	24,233	12,467	15,546	349,908
-	-	-	-	-	-	16,737
564	-	-	-	-	-	46,653
-	17	-	-	-	-	537
564	17	-	-	-	-	63,927
-	-	160	24,233	-	-	33,339
-	-	-	-	12,467	15,546	28,013
-	-	-	-	-	-	224,629
-	-	160	24,233	12,467	15,546	285,981
564	17	160	24,233	12,467	15,546	349,908

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STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Anthony Charter School
 Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
 June 30, 2015

Fund Balance - Total Governmental Funds **\$ 285,981**

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

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

Capital assets	744,700	
Accumulated depreciation	(56,114)	
	688,586	688,586

Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds.

51,476

Long-term liabilities are not due in the current period and, therefore, are not reported in the funds.

Net Pension Liability	(821,048)	
	(821,048)	(821,048)

Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds.

(202,448)

Net Position-Total Governmental Activities **\$ 2,547**

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Anthony Charter School
Statement Of Revenues, Expenditures, And Changes In Fund Balances (Deficit)
Governmental Funds
For The Year Ended June 30, 2015

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101
REVENUES				
Property Taxes	\$ -	-	-	-
Local & County Grant	1,359	-	-	-
State Grant	751,129	4,980	-	-
Federal Grant	-	-	26,293	8,237
Charges for services	120	-	-	-
Total Revenues	752,608	4,980	26,293	8,237
EXPENDITURES				
Current:				
Instruction	343,360	676	-	8,237
Support Services:				
Students	5,330	-	-	-
Instruction	2,915	-	-	-
General Administration	78,618	-	-	-
School Administration	202,562	-	-	-
Central Services	88,273	-	-	-
Operation & Maintenance of Plant	73,484	-	-	-
Food Services Operations	27,979	-	19,229	-
Capital outlay	-	-	-	-
Total expenditures	822,521	676	19,229	8,237
<i>Excess (deficiency) of revenues over (under) expenditures</i>	(69,913)	4,304	7,064	-
Net changes in fund balances	(69,913)	4,304	7,064	-
Fund Balances (Deficit) - Beginning of Year	294,542	4,642	(7,064)	-
Fund Balances - End of Year	\$ 224,629	8,946	-	-

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

IDEA-B Entitlement 24106	IDEA-B Risk Pool 24120	Medicaid 3 - 21 Years 25153	Spaceport Grant 26204	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Total Government
-	-	-	-	-	7,858	7,858
-	-	-	6,622	-	-	7,981
-	-	-	-	39,432	-	795,541
14,157	17	-	-	-	-	48,704
-	-	-	-	-	-	120
<u>14,157</u>	<u>17</u>	<u>-</u>	<u>6,622</u>	<u>39,432</u>	<u>7,858</u>	<u>860,204</u>
14,157	17	-	2,816	-	-	369,263
-	-	-	-	-	-	5,330
-	-	-	-	-	-	2,915
-	-	-	-	-	-	78,618
-	-	-	-	-	-	202,562
-	-	-	-	-	-	88,273
-	-	-	-	-	-	73,484
-	-	-	-	-	-	47,208
-	-	-	-	39,432	-	39,432
<u>14,157</u>	<u>17</u>	<u>-</u>	<u>2,816</u>	<u>39,432</u>	<u>-</u>	<u>907,085</u>
-	-	-	3,806	-	7,858	(46,881)
-	-	-	3,806	-	7,858	(46,881)
-	-	160	20,427	12,467	7,688	332,862
-	-	160	24,233	12,467	15,546	285,981

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Anthony Charter School
 Reconciliation of the Statement of Revenues, Expenditures, and Changes
 in Fund Balances (Deficit) of Governmental Funds to the Statement of Activities
 For the Year Ended June 30, 2015

Net Change in Fund Balances-Total Governmental Funds **\$ (46,881)**

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

Capital Outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the Statement of Net Position and allocated over their estimated useful lives as annual depreciation expenses in the Statement of Activities. This is the amount by which capital outlay exceeds depreciation for the period

Depreciation expense	(36,241)	(36,241)
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The issuance of long-term debt (e.g., bonds, notes, leases) provide current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of the governmental funds. Neither transaction, however has any effect on net position.

Change in Pension Liability	34,712	
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Change in Net Position-Total Governmental Activities **\$ (48,410)**

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

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Anthony Charter School
 Statement of Fiduciary Assets and Liabilities - Agency Funds
 June 30, 2015

	<u>Funds</u>
ASSETS	
Cash in Bank	\$ 1,150
Total Assets	<u>\$ 1,150</u>
LIABILITIES	
Deposits Held for Others	\$ 1,150
Total Liabilities	<u>\$ 1,150</u>

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Anthony Charter School
Schedule of Changes in Assets and Liabilities - Agency Funds
For The Year Ended June 30, 2015

	<u>Balance</u> <u>July 1, 2014</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2015</u>
ASSETS				
Cash in Bank	\$ 920	3,447	(3,217)	1,150
Total assets	<u>\$ 920</u>	<u>3,447</u>	<u>(3,217)</u>	<u>1,150</u>
LIABILITIES				
Deposits Held for Others	\$ 920	3,447	(3,217)	1,150
Total liabilities	<u>\$ 920</u>	<u>3,447</u>	<u>(3,217)</u>	<u>1,150</u>

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Capital Assets. Capital assets purchased or acquired are 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 Anthony Charter School's capitalization policy (i.e., the dollar value above which the asset acquisitions are added to the capital accounts) is \$5,000. The Anthony Charter School does not capitalize any interest with regard to its capital assets.

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

Furniture, Fixtures and Equipment	5 years
Buildings and Improvements	40 years

Capital assets for the Anthony Charter School are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB's Fiduciary Net Position have been determined on the economic resources measurement focus and accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Anthony Charter School
Notes to the Financial Statements
June 30, 2015

NOTE 2. CAPITAL ASSETS

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

	<u>Balance</u> <u>June 30, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2015</u>
<i>Capital Assets being Depreciated:</i>				
Furniture, Fixtures and Equipment	\$ 19,873	-	-	19,873
Buildings and Improvements	724,827	-	-	724,827
<i>Total</i>	<u>744,700</u>	-	-	<u>744,700</u>
<i>Less: Accumulated Depreciation</i>				
Furniture, Fixtures and Equipment	(19,873)	-	-	(19,873)
Buildings and Improvements	-	(36,241)	-	(36,241)
<i>Total</i>	<u>(19,873)</u>	<u>(36,241)</u>	-	<u>(56,114)</u>
Capital Assets, Net	<u>\$ 724,827</u>	<u>(36,241)</u>	-	<u>688,586</u>

Depreciation expensed for the year ended June 30, 2015 was expensed to the following functions:

Operation and Maintenance of Plant	\$ 1,791
Facilities, Materials, Supplies	<u>34,450</u>
Total	<u>\$ 36,241</u>

NOTE 3. COMMITMENTS AND LIABILITIES

The Anthony Charter School leased land under long-term cancelable operating leases. Rental expense for the year ended June 30, 2015, was \$40,687. The school's minimum future payments on this lease are as follows:

Year Ending June 30:	
2016	\$ 39,432
2017	39,432
2018	39,432
2019	39,432
2020	<u>39,432</u>
Total lease payments	<u>\$ 197,160</u>

NOTE 4. RELATED PARTY TRANSACTIONS

The business manager services are performed by an outside manager, which performed services for multiple state charter schools.

NOTE 5. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to the Anthony Charter School and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions. The contribution requirements of defined benefit plan members and Anthony Charter School are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year, ended June 30, 2014 employers contributed 13.15% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.10% of their gross annual salary. For fiscal year, ended June 30, 2015 employers contributed 13.90%, and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 contributed an increased amount of 10.70% of their gross annual salary. Contributions to the pension plan from Anthony Charter School were \$51,476 for the year ended June 30, 2015.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2013. The total ERB pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2014, using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date June 30, 2014. At June 30, 2015, Anthony Charter School reported a liability of \$821,048 for its proportionate share of the net pension liability. Anthony Charter School's proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2014. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2014, Anthony Charter School's proportion was 0.01439% percent, which was a decrease of 0.00248% from its proportion measured as of June 30, 2013.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Anthony Charter School
Notes to the Financial Statements
June 30, 2015

NOTE 5. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

For the year ended June 30, 2015, Anthony Charter School recognized pension expense of \$16,764. At the June 30, 2015, Anthony Charter School reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actuarial experience	\$ -	12,234
Changes in assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	74,661
Changes in proportion and differences between Anthony Charter School contributions and proportionate share of contributions	-	115,553
Anthony Charter School contributions subsequent to the measurement date	51,476	-
Total	<u>\$ 51,476</u>	<u>202,448</u>

\$51,476 reported as deferred outflows of resources related to pensions resulting from Anthony Charter School contributions subsequent to the measurement date June 30, 2014 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2016	\$ 63,028
2017	63,028
2018	57,703
2019	18,689
Total	<u>\$ 202,448</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Anthony Charter School
Notes to the Financial Statements
June 30, 2015

NOTE 5. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

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

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
Anthony Charter School’s proportionate share of the net pension liability	\$ 1,117,131	821,048	573,923

Payables to the pension plan. For the year ending June 30, 2015, Anthony Charter School’s accrued liability due to ERB was \$13,132 for payroll paid in July 2015.

NOTE 6. GOING CONCERN – CHARTER STATUS

In December 2014, the NM Public Education Department did not renew Anthony Charter School’s charter. The Charter School is in the process of appealing the NM PED’s decision.

NOTE 7. RESTATEMENT

As a result of the implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pension*, net position at June 30, 2014 was restated in the amount of \$(1,006,732).

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STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
ANTHONY CHARTER SCHOOL
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2015

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.014%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 821	-	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 397	-	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	206.80%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30, 2014

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
ANTHONY CHARTER SCHOOL
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2015

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 52	-	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	52	-	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ -	-	-	-	-	-	-	-	-	-

Year	Total Amount Deferred	Amortization Years	Increase (Decrease) in Pension Expense over Recognition Periods											
			2015	2016	2017	2018	2019	2020	2021	2022	2023	2024		
2014	\$ 202	5	\$ 63	63	63	58	18	-	-	-	-	-	-	-
2015	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2016	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2017	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2018	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2019	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2020	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2021	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2022	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2023	-	5	-	-	-	-	-	-	-	-	-	-	-	-
	\$ 202		\$ 63	63	63	58	18	-	-	-	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Anthony Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Local & County Grant	\$ -	-	1,359	1,359
State Grant	693,032	751,130	751,129	(1)
Charges for Services	-	-	120	120
Total Revenues	693,032	751,130	752,608	1,478
EXPENDITURES				
Current:				
Instruction	432,900	453,523	344,679	108,844
Support Services:				
Students	17,300	27,175	5,330	21,845
Instruction	-	6,048	1,813	4,235
General Administration	26,500	88,303	71,825	16,478
School Administration	169,414	214,028	203,444	10,584
Central Services	91,214	105,850	83,634	22,216
Operation & Maintenance of Plant	114,487	135,082	74,071	61,011
Food Services Operations	21,115	35,128	28,114	7,014
Total Expenditures	872,930	1,065,137	812,910	252,227
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<i>(179,898)</i>	<i>(314,007)</i>	<i>(60,302)</i>	<i>253,705</i>
Other Financing Sources (Uses):				
Designated Cash	179,898	308,239	-	(308,239)
Total Other Financing Sources (Uses):	179,898	308,239	-	(308,239)
Net Changes in Fund Balances	-	(5,768)	(60,302)	(54,534)
Cash or Fund Balances - Beginning of Year	294,542	294,542	294,542	-
Cash or Fund Balances - End of Year	\$ 294,542	288,774	234,240	(54,534)
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>				
Adjustments to Revenues			\$ -	
Adjustments to Expenditures			(9,611)	
NET CHANGE IN FUND BALANCE			\$ (69,913)	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Anthony Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 3,469	4,980	4,980	-
Total Revenues	3,469	4,980	4,980	-
EXPENDITURES				
Current:				
Instruction	3,469	4,980	676	4,304
Total Expenditures	3,469	4,980	676	4,304
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	4,304	4,304
Net Changes in Fund Balances	-	-	4,304	4,304
Cash or Fund Balances - Beginning of Year	-	-	4,642	4,642
Cash or Fund Balances - End of Year	\$ -	-	8,946	8,946
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>				
Adjustments to Revenues			\$ -	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 4,304	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Anthony Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Food Services 21000
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 29,000	29,000	26,293	(2,707)
Total Revenues	<u>29,000</u>	<u>29,000</u>	<u>26,293</u>	<u>(2,707)</u>
EXPENDITURES				
Current:				
Food Services Operations	29,000	29,000	19,229	9,771
Total Expenditures	<u>29,000</u>	<u>29,000</u>	<u>19,229</u>	<u>9,771</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>7,064</u>	<u>7,064</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>7,064</u>	<u>7,064</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>(7,064)</u>	<u>(7,064)</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>				
Adjustments to Revenues			\$ -	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 7,064</u>	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Anthony Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Title I - IASA 24101
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 32,820	53,007	21,817	(31,190)
Total Revenues	<u>32,820</u>	<u>53,007</u>	<u>21,817</u>	<u>(31,190)</u>
EXPENDITURES				
Current:				
Instruction	5,496	25,683	8,237	17,446
Support Services:				
Students	27,324	27,324	-	27,324
Total Expenditures	<u>32,820</u>	<u>53,007</u>	<u>8,237</u>	<u>44,770</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>13,580</u>	<u>13,580</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>13,580</u>	<u>13,580</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>13,580</u>	<u>13,580</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>				
Adjustments to Revenues			\$ (13,580)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Anthony Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Entitlement IDEA-B 24106
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 14,594	14,157	19,141	4,984
Total Revenues	<u>14,594</u>	<u>14,157</u>	<u>19,141</u>	<u>4,984</u>
EXPENDITURES				
Current:				
Instruction	14,594	14,157	14,157	-
Total Expenditures	<u>14,594</u>	<u>14,157</u>	<u>14,157</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>4,984</u>	<u>4,984</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>4,984</u>	<u>4,984</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>4,984</u>	<u>4,984</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>				
Adjustments to Revenues			\$ (4,984)	
Adjustments to Expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Anthony Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Risk Pool 24120
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ -	17	-	(17)
Total Revenues	-	17	-	(17)
EXPENDITURES				
Current:				
Instruction	-	17	17	-
Total Expenditures	-	17	17	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(17)	(17)
Net Changes in Fund Balances	-	-	(17)	(17)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	(17)	(17)
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>				
Adjustments to Revenues			\$ 17	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Anthony Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Spaceport Grant – Dona Ana County 26204
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Local & County Grant	\$ -	5,918	5,917	(1)
Total Revenues	-	5,918	5,917	(1)
EXPENDITURES				
Current:				
Instruction	-	5,918	2,816	3,102
Total Expenditures	-	5,918	2,816	3,102
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	3,101	3,101
Net Changes in Fund Balances	-	-	3,101	3,101
Cash or Fund Balances - Beginning of Year	-	-	20,427	20,427
Cash or Fund Balances - End of Year	\$ -	-	23,528	23,528
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>				
Adjustments to Revenues			\$ 705	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 3,806</u>	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Anthony Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Public School Capital Outlay 31200
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	39,432	51,899	12,467
Total Revenues	-	39,432	51,899	12,467
EXPENDITURES				
Current:				
Capital Outlay	-	39,432	39,432	-
Total Expenditures	-	39,432	39,432	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	12,467	12,467
Net Changes in Fund Balances	-	-	12,467	12,467
Cash or Fund Balances - Beginning of Year	-	-	12,467	12,467
Cash or Fund Balances - End of Year	\$ -	-	24,934	24,934
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>				
Adjustments to Revenues			\$ (12,467)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Anthony Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
SB-9 Capital Improvements 31700
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Property Taxes	\$ 44,706	44,706	7,719	(36,987)
State Grant	-	-	16,241	16,241
Total Revenues	44,706	44,706	23,960	(20,746)
EXPENDITURES				
Current:				
Capital Outlay	44,706	44,706	-	44,706
Total Expenditures	44,706	44,706	-	44,706
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	23,960	23,960
Net Changes in Fund Balances	-	-	23,960	23,960
Cash or Fund Balances - Beginning of Year	-	-	7,688	7,688
Cash or Fund Balances - End of Year	\$ -	-	31,648	31,648
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>				
Adjustments to Revenues			\$ (16,102)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 7,858	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Anthony Charter School
Schedule of Collateral Pledged by Depository for Public Funds
June 30, 2015

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30,2015</u>
Wells Fargo Bank	FNMA-PT	31418AEB0	3/1/2032	\$ 29,520
Wells Fargo Bank	FNMA-PT	3138EKSD8	2/1/2043	9,149
Wells Fargo Bank	FNMA-PT	31418ANY0	1/1/2043	4,882
Wells Fargo Bank	FNMA-PT	3138LY5A1	7/1/2042	36,899
Wells Fargo Bank	FNMA-PT	3138A76W3	4/1/2041	9,894
Wells Fargo Bank	FNMA-PT	3138X0A24	7/1/2043	34,357
Wells Fargo Bank	FNMA-PT	3138EGFS8	5/1/2041	371
Wells Fargo Bank	FNMA-PT	3138AVF83	11/1/2026	930
Wells Fargo Bank	FNMA-PT	3138LTJQ2	5/1/2042	1,939
Wells Fargo Bank	FNMA-PT	3138WUUS0	9/1/2043	4,292
				<u>\$ 132,233</u>

Total Cash per Schedule of Cash Accounts:	\$ 349,407
Less: FDIC coverage:	<u>(250,000)</u>
Uninsured Public Funds:	99,407

Collateral Requirement:	49,704
Pledged Collateral Held by Pledging Financial Institution:	<u>132,233</u>
Balance Over Collateralized:	<u>\$ 82,530</u>

Balance Uninsured and Uncollateralized at June 30, 2015: **\$ -**

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

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Anthony Charter School
 Schedule of Cash Accounts
 June 30, 2015

<u>Bank Account Type</u>	<u>Wells Fargo Bank</u>
Checking - Operational Account	\$ 349,407
<i>Total on Deposit</i>	349,407
Reconciling Items	<u>(6,322)</u>
Reconciled Balance June 30, 2015	<u>343,085</u>
Less Agency Funds	<u>(1,150)</u>
<i>Total Cash</i>	<u><u>\$ 341,935</u></u>

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Anthony Charter School
Cash Reconciliation
June 30, 2015

	Operational 11000	Instructional Materials 14000	Food Services 21000	Federal Flowthrough 24000
Cash, June 30, 2014	\$ 308,239	4,642	(7,064)	(19,644)
Add:				
2014-15 revenues	752,608	4,980	26,293	40,958
Total Cash Available	1,060,847	9,622	19,229	21,314
Less:				
2014-15 expenditures	(812,910)	(676)	(19,229)	(22,411)
Receivables/Payables	33,057	-	-	(18,581)
Outstanding Loans	(41)	-	-	41
Cash June 30, 2015	280,953	8,946	-	(19,637)
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	5,466	-	-	20,132
Cash Per Books	286,419	8,946	-	495
Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	\$ (61,790)	-	-	(495)
Fund Balance , Modified Accrual Basis	\$ 224,629	8,946	-	-

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

Federal Direct 25000	State Flowthrough 26000	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Total Government
160	14,940	-	(8,553)	292,720
-	5,917	51,899	23,960	906,615
160	20,857	51,899	15,407	1,199,335
-	(2,816)	(39,432)	-	(897,474)
-	-	-	-	14,476
-	-	-	-	-
160	18,041	12,467	15,407	316,337
-	-	-	-	25,598
160	18,041	12,467	15,407	341,935
-	6,192	-	139	(55,954)
160	24,233	12,467	15,546	285,981

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The ASK Academy
Statement of Net Position
June 30, 2015

ASSETS

Current Assets:

Cash and Cash Equivalents	\$ 444,490
Restricted Cash	5,069,341
Receivables	
Due from Other Governments	96,982
Total Current Assets	<u>5,610,813</u>

Noncurrent Assets:

Capital Assets	
Land	647,989
Construction in Progress	500,000
Furniture, Fixtures, and Equipment	15,812
Less: Accumulated Depreciation	(6,252)
Total Noncurrent Assets	<u>1,157,549</u>

Total Assets 6,768,362

Deferred outflows - pension related 586,965

LIABILITIES

Current Liabilities:

Accounts Payable	15,286
Accrued Liabilities	140,781
Total Current Liabilities	<u>156,067</u>

Noncurrent Liabilities:

Long-Term Debt	6,456,542
Net Pension Liability	2,127,658
Total Noncurrent Liabilities	<u>8,584,200</u>

Total Liabilities 8,740,267

Deferred inflows - pension related 225,091

NET POSITION

Investment in Capital Assets	(229,652)
Restricted	108,322
Unrestricted	(1,488,701)
Total Net Position	<u>\$ (1,610,031)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The ASK Academy
Statement of Activities
For The Year Ended June 30, 2015

Functions/Programs	Program Revenues				Net (Expenses) Revenues and Changes in Net Position
	Expenses	Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 1,457,888	15,873	110,229	-	(1,331,786)
Support Services:					
Students	424,879	-	-	-	(424,879)
Instruction	23,671	-	-	-	(23,671)
General Administration	342,224	-	-	-	(342,224)
School Administration	241,437	-	-	-	(241,437)
Central Services	127,353	-	-	-	(127,353)
Operation & Maintenance of Plant	435,273	-	-	-	(435,273)
Facilities Materials, Supplies & Other Services	220,100	-	-	214,422	(5,678)
Total Governmental Activities	\$ 3,272,825	15,873	110,229	214,422	(2,932,301)
General Revenues:					
Property Taxes					\$ 65,855
State Equalization Guarantee					2,450,057
Miscellaneous					89,824
Total General Revenues					<u>2,605,736</u>
Change in Net Position					(326,565)
Net Position- Beginning					382,842
Restatement					(1,666,308)
Restated Net Position - Beginning					<u>(1,283,466)</u>
Net position, Ending					<u>\$ (1,610,031)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 The ASK Academy
 Balance Sheets - Governmental Funds
 June 30, 2015

	Operational 11000	Instructional Materials 14000	IDEA-B Entitlement 24106	IDEA-B "Risk Pool" Fund 24120
ASSETS				
Cash and Cash Equivalents	\$ 306,610	22,378	-	-
Restricted Cash	-	-	-	-
Accounts Receivable				
Due from Governments	-	-	-	47
Due from Other Funds	81,019	-	-	-
Total Assets	\$ 387,629	22,378	-	47
LIABILITIES AND FUND BALANCES				
<i>Liabilities:</i>				
Accounts Payable	\$ 14,908	378	-	-
Accrued Expenditures	140,781	-	-	-
Due to Other Funds	-	-	-	47
Total Liabilities	155,689	378	-	47
<i>Fund Balances</i>				
Fund Balance:				
Restricted for:				
Instruction	-	22,000	-	-
Capital Improvements	-	-	-	-
Unassigned	231,940	-	-	-
Total Fund Balance	231,940	22,000	-	-
<i>Total Liabilities and Fund Balances</i>	\$ 387,629	22,378	-	47

The accompanying notes are an integral part of these financial statements

Charter Schools 24146	Teacher Principal Training 24154	CNM Foundation 26207	Credit Instructional Materials 27103	Robotics 2013 27116	STEM Teacher Initiative 27181
2,834	-	1,256	-	-	-
-	-	-	-	-	-
-	-	-	-	-	13,456
-	-	-	-	-	-
2,834	-	1,256	-	-	13,456
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	13,456
-	-	-	-	-	13,456
2,834	-	1,256	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
2,834	-	1,256	-	-	-
2,834	-	1,256	-	-	13,456

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The ASK Academy
Balance Sheets - Governmental Funds (Continued)
June 30, 2015

	Foundation UNM Sub Award 28102	ASBMB Grant 29102	Public School Capital Outlay 31200	Special Capital Outlay State 31400
ASSETS				
Cash and Cash Equivalents	\$ -	1,377	-	-
Restricted Cash	-	-	-	-
Accounts Receivable				
Due from Government	6,541	-	40,975	20,000
Due from Other Funds	-	-	-	-
Total Assets	\$ 6,541	1,377	40,975	20,000
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ -	-	-	-
Accrued Expenditures	-	-	-	-
Due to Other Funds	6,541	-	40,975	20,000
Total Liabilities	6,541	-	40,975	20,000
Fund Balances				
Fund Balance:				
Restricted for:				
Instruction	-	1,377	-	-
Capital Improvements	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balance	-	1,377	-	-
Total Liabilities and Fund Balances	\$ 6,541	1,377	40,975	20,000

The accompanying notes are an integral part of these financial statements

SB-9 Capital Improvements 31700	Foundation	Total
64,892	45,143	444,490
-	5,069,341	5,069,341
15,963	-	96,982
-	-	81,019
<u>80,855</u>	<u>5,114,484</u>	<u>5,691,832</u>
-	-	15,286
-	-	140,781
-	-	81,019
<u>-</u>	<u>-</u>	<u>237,086</u>
-	-	27,467
80,855	-	80,855
-	5,114,484	5,346,424
<u>80,855</u>	<u>5,114,484</u>	<u>5,454,746</u>
<u>80,855</u>	<u>5,114,484</u>	<u>5,691,832</u>

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STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 The ASK Academy
 Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
 June 30, 2015

Fund Balances - Total Governmental Funds **\$ 5,454,746**

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

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

Capital Assets	1,163,801	
Accumulated Depreciation	(6,252)	
		1,157,549

Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds		586,965
--	--	---------

Long-term liabilities are not due in the current period and, therefore, are not reported in the funds.		
Long-Term Debt	(6,456,542)	
Net Pension Liability	(2,127,658)	
		(8,584,200)

Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds		(225,091)

Net Position-Total Governmental Activities **\$ (1,610,031)**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The ASK Academy
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit)
Governmental Funds
For The Year Ended June 30, 2015

	Operational 11000	Instructional Materials 14000	IDEA-B Entitlement 24106	IDEA-B "Risk Pool" Fund 24120
REVENUES				
Property Taxes	\$ -	-	-	-
State Grant	2,450,057	20,419	-	-
Federal Grant	-	-	40,631	47
Charges for Services	15,873	-	-	-
Miscellaneous Income	5,859	-	-	-
Total Revenues	<u>2,471,789</u>	<u>20,419</u>	<u>40,631</u>	<u>47</u>
EXPENDITURES				
Current:				
Instruction	1,295,912	9,399	40,631	47
Support Services:				
Students	396,912	-	-	-
Instruction	23,671	-	-	-
General Administration	78,359	-	-	-
School Administration	224,517	-	-	-
Central Services	127,353	-	-	-
Operation & Maintenance of Plant	433,443	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>2,580,167</u>	<u>9,399</u>	<u>40,631</u>	<u>47</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(108,378)</u>	<u>11,020</u>	<u>-</u>	<u>-</u>
OTHER FINANCING SOURCES (USES):				
Net proceeds from bond issues	-	-	-	-
Total Other Financing Sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>(108,378)</u>	<u>11,020</u>	<u>-</u>	<u>-</u>
Fund Balances (Deficit) - Beginning of Year	<u>340,318</u>	<u>10,980</u>	<u>-</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ 231,940</u>	<u>22,000</u>	<u>-</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements

Charter Schools 24146	Teacher Principal Training 24154	CNM Foundation 26207	Credit Instructional Materials 27103	Robotics 2013 27116	STEM Teacher Initiative 27181
-	-	-	-	-	-
-	-	-	824	9,332	29,100
-	-	-	-	-	-
-	-	-	-	-	-
-	-	1,500	-	-	-
-	-	1,500	824	9,332	29,100
-	-	1,495	824	7,072	29,100
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	1,495	824	7,072	29,100
-	-	5	-	2,260	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	5	-	2,260	-
2,834	-	1,251	-	(2,260)	-
2,834	-	1,256	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The ASK Academy
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit) - Continued
Governmental Funds
For The Year Ended June 30, 2015

	Foundation UNM Sub Award 28102	ASBMB Grant 29102	Public School Capital Outlay 31200	Special Capital Outlay State 31400
REVENUES				
Property Taxes	\$ -	-	-	-
State Grant	9,876	-	194,422	20,000
Federal Grant	-	-	-	-
Charges for Services	-	-	-	-
Miscellaneous Income	-	-	-	-
Total Revenues	<u>9,876</u>	<u>-</u>	<u>194,422</u>	<u>20,000</u>
EXPENDITURES				
Current:				
Instruction	3,139	-	-	-
Support Services:				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	3,402	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Capital Outlay	-	-	163,899	20,000
Total Expenditures	<u>6,541</u>	<u>-</u>	<u>163,899</u>	<u>20,000</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>3,335</u>	<u>-</u>	<u>30,523</u>	<u>-</u>
OTHER FINANCING SOURCES (USES):				
Net proceeds from bond issues	-	-	-	-
Total Other Financing Sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>3,335</u>	<u>-</u>	<u>30,523</u>	<u>-</u>
Fund Balances (Deficit) - Beginning of Year	<u>(3,335)</u>	<u>1,377</u>	<u>(30,523)</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ -</u>	<u>1,377</u>	<u>-</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements

SB-9 Capital Improvements 31700	Foundation	Total
65,855	-	65,855
-	-	2,734,030
-	-	40,678
-	-	15,873
-	82,465	89,824
<u>65,855</u>	<u>82,465</u>	<u>2,946,260</u>
-	-	1,387,619
-	12,669	409,581
-	-	23,671
-	263,865	342,224
-	-	227,919
-	-	127,353
-	-	433,443
45,596	1,147,989	1,377,484
<u>45,596</u>	<u>1,424,523</u>	<u>4,329,294</u>
<u>20,259</u>	<u>(1,342,058)</u>	<u>(1,383,034)</u>
-	6,456,542	6,456,542
-	6,456,542	6,456,542
<u>20,259</u>	<u>5,114,484</u>	<u>5,073,508</u>
<u>60,596</u>	-	<u>381,238</u>
<u>80,855</u>	<u>5,114,484</u>	<u>5,454,746</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 The ASK Academy
 Reconciliation of the Statement of Revenues, Expenditures, and Changes
 in Fund Balances (Deficit) of Governmental Funds to the Statement of Activities
 For the Year Ended June 30, 2015

Net Change in Fund Balances-Total Governmental Funds **\$ 5,073,508**

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

Change in net pension liability (99,476)

Expenditures to purchase or build capital assets, pay for interest on debt, and
 amortization on long term assets are reported in governmental funds as
 expenditures. However, for governmental activities those costs are shown in
 the Statement of Net Position and allocated over their estimated useful lives
 as annual depreciation expenses in the Statement of Activities. This is the
 amount by which capital outlay exceeds depreciation for the period

Capital Outlays	1,157,385	
Depreciation Expense	(1,440)	
	1,155,945	1,155,945

The issuance of long-term debt (e.g., bonds, notes, leases) provide current
 financial resources to governmental funds, while the repayment of the
 principal of long-term debt consumes the current financial resources of
 governmental funds. Neither transaction, however, has any effect on net
 position.

Net proceeds from issuance of bonds		(6,456,542)
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Change in Net Position-Total Governmental Activities **\$ (326,565)**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 The ASK Academy
 Statement of Fiduciary Assets and Liabilities - Agency Funds
 June 30, 2015

	<u>Funds</u>
ASSETS	
Cash in Bank	\$ 6,942
Total Assets	<u>\$ 6,942</u>
LIABILITIES	
Deposits Held for Others	\$ 6,942
Total Liabilities	<u>\$ 6,942</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 The ASK Academy
 Schedule of Changes in Assets and Liabilities - Agency Funds
 For The Year Ended June 30, 2015

	<u>Balance</u> <u>July 1, 2014</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2015</u>
ASSETS				
Cash in Bank	\$ 21,532	11,775	(26,365)	6,942
Total Assets	<u>\$ 21,532</u>	<u>11,775</u>	<u>(26,365)</u>	<u>6,942</u>
LIABILITIES				
Deposits Held for Others	\$ 21,532	11,775	(26,365)	6,942
Total Liabilities	<u>\$ 21,532</u>	<u>11,775</u>	<u>(26,365)</u>	<u>6,942</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 The ASK Academy
 Notes to the Financial Statements
 June 30, 2015

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Capital Assets. Capital assets purchased or acquired are 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 ASK Academy’s capitalization policy (i.e., the dollar value above which the asset acquisitions are added to the capital accounts) is \$5,000. The ASK Academy (ASK) does not capitalize any interest with regard to its capital assets.

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

Furniture, Fixtures and Equipment	5-10 years
Land and Land Improvements	15 years
Buildings and Improvements	5-40 years

Capital assets for ASK are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB’s Fiduciary Net Position have been determined on the economic resources measurement focus and accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 2. RECEIVABLES

Receivables as of June 30, 2015 are as follows:

Due from Other Governments:	
IDEA-B “Risk Pool” Fund	\$ 47
STEM Teacher Initiative	13,456
Foundation UNM Sub Award Grant	6,541
Public School Capital Outlay	40,975
Special Capital Outlay State	20,000
SB-9 Capital Improvements	<u>15,963</u>
Total Due from Other Governments	<u>\$ 96,982</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The ASK Academy
Notes to the Financial Statements
June 30, 2015

NOTE 3. CAPITAL ASSETS

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

	<u>Balance</u> <u>June 30, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2015</u>
<i>Capital Assets not being Depreciated:</i>				
Land	\$ -	647,989	-	647,989
Construction in Progress	-	500,000	-	500,000
<i>Total</i>	-	1,147,989	-	1,147,989
<i>Capital Assets being Depreciated:</i>				
Furniture, Fixtures and Equipment	6,416	9,396	-	15,812
<i>Total</i>	6,416	9,396	-	15,812
<i>Less: Accumulated Depreciation</i>				
Furniture, fixtures and equipment	(4,812)	(1,440)	-	(6,252)
<i>Total</i>	(4,812)	(1,440)	-	(6,252)
Capital Assets, Net	\$ 1,604	1,155,945	-	1,157,549

Depreciation expensed for the year ended June 30, 2015 was expensed to the following functions:

School Administration	\$ 1,440
Total	<u>\$ 1,440</u>

NOTE 4. COMMITMENTS AND LIABILITIES

ASK leased buildings and equipment under short-term cancelable operating leases. Rental expense for the year ended June 30, 2015 was \$399,448. ASK's minimum future payments on these leases are as follows:

Year Ending June 30:	
2016	<u>257,553</u>
Total minimum lease payments	<u>\$ 257,553</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The ASK Academy
Notes to the Financial Statements
June 30, 2015

NOTE 4. COMMITMENTS AND LIABILITIES (Continued)

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

	Balance			Balance		Due Within
	<u>06-30-2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>06-30-15</u>	<u>One Year</u>	
Bonds Payable	\$ -	6,700,000	-	6,700,000	-	-
Discount	-	(243,458)	-	(243,458)	-	-
	<u>\$ -</u>	<u>6,456,542</u>	<u>-</u>	<u>6,456,542</u>	<u>-</u>	<u>-</u>

Revenue Bonds are secured by pledges of certain revenues and assets. On February 12, 2015, The ASK Academy, pursuant to a lease purchase agreement with The ASK Academy Foundation, Inc. and indenture of trust, issued its Educational Facility Revenue Bonds Series 2015 in the aggregate principal amount of \$6,360,000 and \$340,000 Taxable Educational Facility Revenue Bonds Series 2015. Bond proceeds were used to purchase land and construct a charter school facility that will house classrooms from seventh through twelfth grade. ASK pledges, transfers, and grants a security interest in and assigns to Wells Fargo Bank, N.A. to secure the payment of lease payments in accordance with the terms and provisions of the lease, all funds, monies, grants, or other distributions received by the School from the State of New Mexico with respect to Equalization Guarantee funding, State Leasing or account established by ASK, but specifically excluding State funding under the Charter School Act which is specifically dedicated to the payment of expenses of the Charter School which do not include payment of amounts due under the Lease and all such operating expenses of ASK required under State or federal laws to provide required educational program expenditures.

The total bond payable as of June 30, 2015 is as follows:

Series 2015 Education Facility Revenue Bond; Interest rate 5.25% due in quarterly installments; Maturing February 1, 2025	\$ 670,000
Series 2015 Education Facility Revenue Bond; Interest rate 5.75% due in quarterly installments; Maturing February 1, 2035	1,880,000
Series 2015 Education Facility Revenue Bond; Interest rate 6.00% due in quarterly installments; Maturing February 1, 2045	3,810,000
Series 2015 Taxable Education Facility Revenue Bond; Interest rate 5.75% due in quarterly installments; Maturing February 1, 2020	340,000
Total Bond Payable	<u>\$ 6,700,000</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The ASK Academy
Notes to the Financial Statements
June 30, 2015

NOTE 4. COMMITMENTS AND LIABILITIES (Continued)

The aggregate amounts of principal maturities and interest of bonds payable are as follows:

	Principal	Interest	Total
2016	\$ -	379,465	379,465
2017	90,000	391,425	481,425
2018	95,000	386,250	481,250
2019	100,000	380,788	480,788
2020	105,000	375,037	480,037
2021-2025	620,000	1,784,300	2,404,300
2026-2030	810,000	1,595,237	2,405,237
2031-2035	1,070,000	1,334,763	2,404,763
2036-2040	1,420,000	983,100	2,403,100
2041-2043	2,390,000	500,700	2,890,700
Total	<u>\$ 6,700,000</u>	<u>8,111,065</u>	<u>14,811,065</u>

NOTE 5. DEFICIT FUND BALANCE

There were no funds that had a deficit fund balance at June 30, 2015.

NOTE 6. OVERSPENT BUDGET LINE ITEMS

There were no funds that overspent the budget during the year ended June 30, 2015.

NOTE 7. RELATED PARTY TRANSACTIONS

The ASK Academy has created a Foundation which donates various funds to the school and entered revenue bonds to construct a building for the school. The Foundation is considered a component unit of the School and is presented as a blended component unit.

NOTE 8. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to The ASK Academy and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

NOTE 8. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (Continued)

Contributions. The contribution requirements of defined benefit plan members and The ASK Academy are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year ended June 30, 2014 employers contributed 13.15% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.10% of their gross annual salary. For fiscal year ended June 30, 2015 employers contributed 13.90%, and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 contributed an increased amount of 10.70% of their gross annual salary. Contributions to the pension plan from The ASK Academy were \$186,755 for the year ended June 30, 2015.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2013. The total ERB pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2014, using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date June 30, 2014. At June 30, 2015, The ASK Academy reported a liability of \$2,127,658 for its proportionate share of the net pension liability. The ASK Academy's proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2014. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2014, The ASK Academy's proportion was 0.03729% percent, which was an increase of 0.00859% from its proportion measured as of June 30, 2013.

For the year ended June 30, 2015, The ASK Academy recognized pension expense of \$286,230. At the June 30, 2015, The ASK Academy reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The ASK Academy
Notes to the Financial Statements
June 30, 2015

NOTE 8. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (Continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	31,692
Changes in assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	193,399
Changes in proportion and differences between The ASK Academy contributions and proportionate share of contributions	400,210	-
The ASK Academy contributions subsequent to the measurement date	<u>186,755</u>	<u>-</u>
Total	<u>\$ 586,965</u>	<u>225,091</u>

\$186,755 reported as deferred outflows of resources related to pensions resulting from The ASK Academy contributions subsequent to the measurement date June 30, 2014 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2016	\$ (79,603)
2017	(79,603)
2018	(64,248)
2019	48,335
Total	<u>\$ (175,119)</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 The ASK Academy
 Notes to the Financial Statements
 June 30, 2015

NOTE 8. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (Continued)

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

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
The ASK Academy's proportionate share of the net pension liability	<u>\$ 2,894,926</u>	<u>2,127,658</u>	<u>1,486,670</u>

Payables to the pension plan. The ASK Academy accrued \$40,450 in ERB benefits at June 30, 2015 for teachers with ten month contracts.

NOTE 9. PRIOR PERIOD ADJUSTMENT

As a result of implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, Net Position at June 30, 2014 was restated in the amount of \$(1,666,308).

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STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The ASK Academy
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2015

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.04%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 2,128	-	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 1,028	-	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	207.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30, 2014

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The ASK Academy
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2015

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 135	-	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	135	-	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ -	-	-	-	-	-	-	-	-	-

Increase (Decrease) in Pension Expense over Recognition Periods

Year	Total Amount Deferred	Amortization Years	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
2014	\$ (175)	5		\$ (80)	(80)	(64)	49	-	-	-	-	-
2015	-	5			-	-	-	-	-	-	-	-
2016	-	5				-	-	-	-	-	-	-
2017	-	5					-	-	-	-	-	-
2018	-	5						-	-	-	-	-
2019	-	5							-	-	-	-
2020	-	5								-	-	-
2021	-	5									-	-
2022	-	5										-
2023	-	5										
	\$ (175)		\$ (80)	(80)	(64)	49	-	-	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The ASK Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 2,705,984	2,450,058	2,450,057	(1)
Charges for Services	-	13,497	15,873	2,376
Miscellaneous Income	-	5,806	5,859	53
Total Revenues	<u>2,705,984</u>	<u>2,469,361</u>	<u>2,471,789</u>	<u>2,428</u>
EXPENDITURES				
Current:				
Instruction	1,576,456	1,396,966	1,293,828	103,138
Support Services:				
Students	347,588	438,712	395,474	43,238
Instruction	15,000	27,540	23,671	3,869
General Administration	51,500	83,517	77,015	6,502
School Administration	364,843	287,793	224,289	63,504
Central Services	123,071	127,641	122,721	4,920
Operation & Maintenance of Plant	441,459	455,825	433,742	22,083
Total Expenditures	<u>2,919,917</u>	<u>2,817,994</u>	<u>2,570,740</u>	<u>247,254</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(213,933)</u>	<u>(348,633)</u>	<u>(98,951)</u>	<u>249,682</u>
Net Changes in Fund Balances	<u>(213,933)</u>	<u>(348,633)</u>	<u>(98,951)</u>	<u>249,682</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>345,799</u>	<u>345,799</u>
Cash or Fund Balances - End of Year	<u>\$ (213,933)</u>	<u>(348,633)</u>	<u>246,848</u>	<u>595,481</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (98,951)	
Adjustments to Revenues			-	
Adjustments to Expenditures			<u>(9,427)</u>	
NET CHANGE IN FUND BALANCE			<u>\$ (108,378)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The ASK Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 11,760	20,419	20,419	-
Total Revenues	11,760	20,419	20,419	-
EXPENDITURES				
Current:				
Instruction	11,760	20,419	9,021	11,398
Total Expenditures	11,760	20,419	9,021	11,398
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	11,398	11,398
Net Changes in Fund Balances	-	-	11,398	11,398
Cash or Fund Balances - Beginning of Year	-	-	10,980	10,980
Cash or Fund Balances - End of Year	\$ -	-	22,378	22,378
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 11,398	
Adjustments to Revenues			-	
Adjustments to Expenditures			(378)	
NET CHANGE IN FUND BALANCE			\$ 11,020	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 The ASK Academy
 Schedule of Budgetary Comparisons - Budgetary Basis
 IDEA-B Entitlement 24106
 For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 36,540	40,631	42,424	1,793
Total Revenues	<u>36,540</u>	<u>40,631</u>	<u>42,424</u>	<u>1,793</u>
EXPENDITURES				
Current:				
Instruction	36,540	40,631	40,631	-
Total Expenditures	<u>36,540</u>	<u>40,631</u>	<u>40,631</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	1,793	1,793
Net Changes in Fund Balances	-	-	1,793	1,793
Cash or Fund Balances - Beginning of Year	-	-	(1,793)	(1,793)
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 1,793	
Adjustments to Revenues			(1,793)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The ASK Academy
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B "Risk Pool" Fund 24120
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ -	47	335	288
Total Revenues	-	47	335	288
EXPENDITURES				
Current:				
Instruction	-	47	47	-
Total Expenditures	-	47	47	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	288	288
Net Changes in Fund Balances	-	-	288	288
Cash or Fund Balances - Beginning of Year	-	-	(335)	(335)
Cash or Fund Balances - End of Year	\$ -	-	(47)	(47)
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 288	
Adjustments to Revenues			(288)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 The ASK Academy
 Schedule of Budgetary Comparisons - Budgetary Basis
 Teacher Principal Training 24154
 For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 4,484	8,879	500	(8,379)
Total Revenues	<u>4,484</u>	<u>8,879</u>	<u>500</u>	<u>(8,379)</u>
EXPENDITURES				
Current:				
Instruction	4,484	8,879	-	8,879
Total Expenditures	<u>4,484</u>	<u>8,879</u>	<u>-</u>	<u>8,879</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	500	500
Net Changes in Fund Balances	-	-	500	500
Cash or Fund Balances - Beginning of Year	-	-	(500)	(500)
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 500	
Adjustments to Revenues			(500)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The ASK Academy
Schedule of Budgetary Comparisons - Budgetary Basis
CNM Foundation 26207
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Miscellaneous Income	\$ -	1,500	1,500	-
Total Revenues	-	1,500	1,500	-
EXPENDITURES				
Current:				
Instruction	-	1,500	1,495	5
Total Expenditures	-	1,500	1,495	5
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	-	-	5	5
Net Changes in Fund Balances	-	-	5	5
Cash or Fund Balances - Beginning of Year	-	-	1,251	1,251
Cash or Fund Balances - End of Year	\$ -	-	1,256	1,256
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ 5	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 5	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The ASK Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Credit for Instructional Materials 27103
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	1,026	824	(202)
Total Revenues	-	1,026	824	(202)
EXPENDITURES				
Current:				
Instruction	-	1,026	824	202
Total Expenditures	-	1,026	824	202
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
Net Changes in Fund Balances	-	-	-	-
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	-	-
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The ASK Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Robotics 2013 27116
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	9,957	12,575	2,618
Total Revenues	-	9,957	12,575	2,618
EXPENDITURES				
Current:				
Instruction	-	9,957	7,072	2,885
Total Expenditures	-	9,957	7,072	2,885
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	5,503	5,503
Net Changes in Fund Balances	-	-	5,503	5,503
Cash or Fund Balances - Beginning of Year	-	-	(5,503)	(5,503)
Cash or Fund Balances - End of Year	\$ -	-	-	-
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 5,503	
Adjustments to Revenues			(3,243)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 2,260</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The ASK Academy
Schedule of Budgetary Comparisons - Budgetary Basis
STEM Teacher Initiative 27181
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	30,375	15,644	(14,731)
Total Revenues	<u>-</u>	<u>30,375</u>	<u>15,644</u>	<u>(14,731)</u>
EXPENDITURES				
Current:				
Instruction	-	30,375	29,100	1,275
Total Expenditures	<u>-</u>	<u>30,375</u>	<u>29,100</u>	<u>1,275</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(13,456)	(13,456)
Net Changes in Fund Balances	-	-	(13,456)	(13,456)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(13,456)</u>	<u>(13,456)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (13,456)	
Adjustments to Revenues			13,456	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The ASK Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Foundation UNM Sub Award 28102
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 11,629	11,629	3,335	(8,294)
Total Revenues	11,629	11,629	3,335	(8,294)
EXPENDITURES				
Current:				
Instruction	7,775	7,775	3,139	4,636
Support Services:				
School Administration	3,854	3,854	3,402	452
Total Expenditures	11,629	11,629	6,541	5,088
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(3,206)	(3,206)
Net Changes in Fund Balances	-	-	(3,206)	(3,206)
Cash or Fund Balances - Beginning of Year	-	-	(3,335)	(3,335)
Cash or Fund Balances - End of Year	\$ -	-	(6,541)	(6,541)
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (3,206)	
Adjustments to Revenues			6,541	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 3,335	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The ASK Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Public School Capital Outlay 31200
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	163,899	153,447	(10,452)
Total Revenues	<u>-</u>	<u>163,899</u>	<u>153,447</u>	<u>(10,452)</u>
EXPENDITURES				
Capital Outlay	-	163,899	163,899	-
Total Expenditures	<u>-</u>	<u>163,899</u>	<u>163,899</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(10,452)</u>	<u>(10,452)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(10,452)</u>	<u>(10,452)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>(30,523)</u>	<u>(30,523)</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(40,975)</u>	<u>(40,975)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (10,452)	
Adjustments to Revenues			40,975	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 30,523</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The ASK Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Special Capital Outlay State 31400
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 230,000	230,000	-	(230,000)
Total Revenues	230,000	230,000	-	(230,000)
EXPENDITURES				
Capital Outlay	230,000	230,000	20,000	210,000
Total Expenditures	230,000	230,000	20,000	210,000
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(20,000)	(20,000)
Net Changes in Fund Balances	-	-	(20,000)	(20,000)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	(20,000)	(20,000)
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (20,000)	
Adjustments to Revenues			20,000	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The ASK Academy
Schedule of Budgetary Comparisons - Budgetary Basis
SB-9 Capital Improvements 31700
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Property Taxes	\$ 56,335	56,335	49,892	(6,443)
State Grant	8,461	19,565	-	(19,565)
Total Revenues	64,796	75,900	49,892	(26,008)
EXPENDITURES				
Capital Outlay	64,796	75,900	45,596	30,304
Total Expenditures	64,796	75,900	45,596	30,304
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	4,296	4,296
Net Changes in Fund Balances	-	-	4,296	4,296
Cash or Fund Balances - Beginning of Year	-	-	60,596	60,596
Cash or Fund Balances - End of Year	\$ -	-	64,892	64,892
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 4,296	
Adjustments to Revenues			15,963	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 20,259	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The ASK Academy
Schedule of Collateral Pledged by Depository for Public Funds
June 30, 2015

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2015</u>
Wells Fargo Bank	FN AJ3790 3.000% 11/01/2026	3138AVF83	11/1/2026	\$ 537
Wells Fargo Bank	FN AR9199 3.000% 03/01/2043	3138W7GH1	3/1/2043	1,164
Wells Fargo Bank	FN AT5895 3.000% 06/01/2043	3138WTRR9	6/1/2043	12,227
Wells Fargo Bank	FN AT6892 4.000% 09/01/2043	3138WUUS0	9/1/2043	25,474
Wells Fargo Bank	FN AU0924 3.500% 07/01/2043	3138X0A24	7/1/2043	55,730
Wells Fargo Bank	FN AA6933 4.500% 08/01/2039	31416QV36	8/1/2039	439
Wells Fargo Bank	FN MA1003 3.500% 03/01/2042	31418ADH8	3/1/2042	1,176
Wells Fargo Bank	FN MA1584 3.500% 09/01/2033	31418AXN3	9/1/2033	5,052
				<u>\$ 101,799</u>

Total Cash per Schedule of Cash Accounts (Excluding Foundation):	\$ 407,687
Less: FDIC coverage:	<u>(250,000)</u>
Uninsured Public Funds:	157,687
Collateral Requirement:	78,844
Pledged Collateral Held by Pledging Financial Institution:	<u>101,799</u>
Balance Over Collateralized:	<u>\$ 22,955</u>
Balance Uninsured and Uncollateralized at June 30, 2015:	<u>\$ 55,888</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 The ASK Academy
 Schedule of Cash Accounts
 June 30, 2015

<u>Bank Account Type</u>	<u>Wells Fargo</u>
Checking - Operational Account	\$ 407,687
Checking - Foundation	5,114,484
<i>Total on Deposit</i>	5,522,171
Reconciling Items	(1,398)
Reconciled Balance June 30, 2015	5,520,773
Less Agency Funds	(6,942)
<i>Total Cash</i>	\$ 5,513,831

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The ASK Academy
Cash Reconciliation
June 30, 2015

	Operational 11000	Instructional Materials 14000	Student Activity Fund 23000
Cash, June 30, 2014	\$ 401,280	10,980	21,532
Add:			
2014-15 revenues	<u>2,471,789</u>	<u>20,419</u>	<u>11,775</u>
Total cash available	2,873,069	31,399	33,307
Less:			
2014-15 expenditures	(2,626,221)	(9,021)	(26,365)
Receivables/Payables	140,781	-	-
Outstanding Loans	<u>-</u>	<u>-</u>	<u>-</u>
Cash June 30, 2015	<u>387,629</u>	<u>22,378</u>	<u>6,942</u>
Fund Balance Reconciliations to GAAP Basis:			
Audit reclassifications to cash	<u>(81,019)</u>	<u>-</u>	<u>-</u>
Cash per Books	<u>306,610</u>	<u>22,378</u>	<u>6,942</u>
Fund Balance Reconciliation to GAAP Basis:			
Modified Accrual Adjustments	<u>(155,689)</u>	<u>(378)</u>	<u>(6,942)</u>
Fund Balance, Modified Accrual Basis	<u>\$ 231,940</u>	<u>22,000</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements

Federal Flowthrough 24000	Local Grants 26000	State Flowthrough 27000	State Direct 28000	Local or State Fund 29000	Public School Capital Outlay 31200
2,834	1,256	-	-	1,377	-
43,259	1,500	29,043	3,335	-	153,447
46,093	2,756	29,043	3,335	1,377	153,447
(43,306)	(1,500)	(42,499)	(9,876)	-	(194,422)
-	-	-	-	-	-
-	-	-	-	-	-
2,787	1,256	(13,456)	(6,541)	1,377	(40,975)
47	-	13,456	6,541	-	40,975
2,834	1,256	-	-	1,377	-
47	-	13,456	6,541	-	40,975
2,834	1,256	-	-	1,377	-

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STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The ASK Academy
Cash Reconciliation (Continued)
June 30, 2015

	Special Capital Outlay - State <u>31400</u>	Capital Improvements SB-9 <u>31700</u>	<u>Total</u>
Cash, June 30, 2014	\$ -	60,596	499,855
Add:			
2014-15 revenues	<u>-</u>	<u>49,892</u>	<u>2,784,459</u>
Total cash available	-	110,488	3,284,314
Less:			
2014-15 expenditures	(20,000)	(45,596)	(3,018,806)
Receivables/Payables	-	-	140,781
Outstanding Loans	<u>-</u>	<u>-</u>	<u>-</u>
Cash June 30, 2015	<u>(20,000)</u>	<u>64,892</u>	<u>406,289</u>
Fund Balance Reconciliations to GAAP Basis:			
Audit reclassifications to cash	<u>20,000</u>	<u>-</u>	<u>-</u>
Cash per Books	<u>-</u>	<u>64,892</u>	<u>406,289</u>
		Add: Foundation Cash per Balance Sheet - Governmental Funds:	5,114,484
		Less: Activity Funds Per Schedule of Changes in Assets and Liabilities - Agency Fund:	<u>(6,942)</u>
		Total Cash per Books:	<u>\$ 5,513,831</u>
Fund Balance Reconciliation to GAAP Basis:			
Modified Accrual Adjustments	<u>20,000</u>	<u>15,963</u>	<u>(66,027)</u>
Fund Balance, Modified Accrual Basis	<u>\$ -</u>	<u>80,855</u>	<u>340,262</u>
		Add: Foundation:	<u>5,114,484</u>
		Balance Sheets - Governmental Funds:	<u>\$ 5,454,746</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cesar Chavez Community School
Statement of Net Position
June 30, 2015

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 667,579
Receivables	
Due from Other Governments	34,542
Deposits	13,000
Prepaid Expenses	31,811
Total Current Assets	<u>746,932</u>

Noncurrent Assets:

Capital Assets	
Building and Improvements	23,270
Furniture, Fixtures, and Equipment	107,402
Less: Accumulated Depreciation	<u>(111,801)</u>
Total Noncurrent Assets	<u>18,871</u>

Total Assets	<u>765,803</u>
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Deferred Outflows - Pension Related	<u>190,439</u>
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LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accounts Payable	39,375
Accrued Liabilities	117,656
Total Current Liabilities	<u>157,031</u>

Noncurrent Liabilities:

Net Pension Liability	<u>2,100,841</u>
Total Noncurrent Liabilities	<u>2,100,841</u>

Total Liabilities	<u>2,257,872</u>
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Deferred Inflows - Pension Related	<u>222,243</u>
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NET POSITION

Investment in Capital Assets	18,871
Restricted	114,208
Unrestricted (deficit)	<u>(1,656,952)</u>
Total Net Position	<u>\$ (1,523,873)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cesar Chavez Community School
Statement of Activities
For The Year Ended June 30, 2015

Functions/Programs	Program Revenues			Net (Expenses) Revenues and Changes in Net Position	
	Expenses	Charges for Service	Operating Grants and Contributions		Capital Grants and Contributions
Governmental activities:					
Instruction	\$ 1,108,575	-	167,987	-	(940,588)
Support Services:					
Students	303,036	-	-	-	(303,036)
Instruction	2,404	-	-	-	(2,404)
General Administration	25,446	-	-	-	(25,446)
School Administration	245,273	-	-	-	(245,273)
Central Services	108,148	-	-	-	(108,148)
Operation & Maintenance of Plant	390,862	-	-	-	(390,862)
Food Services	51,869	-	49,554	-	(2,315)
Facilities Materials, Supplies & Other Services	229,628	-	-	211,654	(17,974)
Total Governmental Activities	\$ 2,465,241	-	217,541	211,654	(2,036,046)
General Revenues:					
					\$ 57,222
					2,026,082
					2,542
					<u>2,085,846</u>
Change in Net Position					<u>49,800</u>
					546,278
					<u>(2,119,951)</u>
					<u>(1,573,673)</u>
					<u>\$ (1,523,873)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cesar Chavez Community School
Balance Sheets - Governmental Funds
June 30, 2015

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101
ASSETS				
Cash and Cash Equivalents	\$ 555,169	19,100	-	-
Accounts Receivable				
Due from Government	-	-	-	9,562
Due from Other Funds	25,328	-	-	-
Deposits	13,000	-	-	-
Prepaid Expenditures	-	-	-	-
Total Assets	\$ 593,497	19,100	-	9,562
LIABILITIES AND FUND BALANCES				
<i>Liabilities:</i>				
Accounts Payable	\$ 30,039	3,807	-	-
Accrued Expenditures	109,233	-	-	4,209
Due to Other Funds	-	-	1,046	5,353
Total Liabilities	139,272	3,807	1,046	9,562
<i>Fund Balances (Deficit)</i>				
Fund Balance:				
Nonspendable:				
Deposits	13,000	-	-	-
Prepaid Expenditures	-	-	-	-
Restricted for:				
Instruction	-	15,293	-	-
Capital Improvements	-	-	-	-
Assigned to:				
Subsequent Years Expenditures and Other Programs	441,225	-	-	-
Unassigned (Deficit)	-	-	(1,046)	-
Total Fund Balance (Deficit)	454,225	15,293	(1,046)	-
Total Liabilities and Fund Balances (Deficit)	\$ 593,497	19,100	-	9,562

The accompanying notes are an integral part of these financial statements

IDEA-B Entitlement 24106	Teacher Principal Training 24154	Title XIX Medicaid 25152	CNM Foundation 26207	Dual Credit Instructional Materials 27103	GRADS 28190
-	-	183	-	-	-
9,089	1,413	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>9,089</u>	<u>1,413</u>	<u>183</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
4,214	-	-	-	-	-
4,875	1,413	-	-	-	-
<u>9,089</u>	<u>1,413</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	183	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	183	-	-	-
<u>9,089</u>	<u>1,413</u>	<u>183</u>	<u>-</u>	<u>-</u>	<u>-</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cesar Chavez Community School
Balance Sheets - Governmental Funds (Continued)
June 30, 2015

	GRADS Plus 28203	Public School Capital Outlay 31200	Special Capital Outlay State 31400	SB-9 Capital Improvements 31700
ASSETS				
Cash and Cash Equivalents	\$ -	-	-	53,921
Accounts Receivable				
Due from Government	14,478	-	-	-
Due from Other Funds	-	-	-	-
Deposits	-	-	-	-
Prepaid Expenditures	-	-	-	-
Total Assets	\$ 14,478	-	-	53,921
LIABILITIES AND FUND BALANCES				
<i>Liabilities:</i>				
Accounts Payable	\$ 1,837	-	-	-
Accrued Expenditures	-	-	-	-
Due to Other Funds	12,641	-	-	-
Total Liabilities	14,478	-	-	-
<i>Fund Balances (Deficit)</i>				
Fund Balance:				
Nonspendable:				
Deposits	-	-	-	-
Prepaid Expenditures	-	-	-	-
Restricted for:				
Instruction	-	-	-	-
Capital Improvements	-	-	-	53,921
Assigned to:				
Subsequent Years Expenditures and Other Programs	-	-	-	-
Unassigned (Deficit)	-	-	-	-
Total Fund Balance (Deficit)	-	-	-	53,921
Total Liabilities and Fund Balances (Deficit)	\$ 14,478	-	-	53,921

The accompanying notes are an integral part of these financial statements

<u>Foundation</u>	<u>Total</u>
39,206	667,579
-	34,542
-	25,328
-	13,000
<u>31,811</u>	<u>31,811</u>
<u>71,017</u>	<u>772,260</u>
3,692	39,375
-	117,656
-	25,328
<u>3,692</u>	<u>182,359</u>
-	13,000
31,811	31,811
-	15,476
-	53,921
-	441,225
35,514	34,468
<u>67,325</u>	<u>589,901</u>
<u>71,017</u>	<u>772,260</u>

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STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cesar Chavez Community School
Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
June 30, 2015

Fund Balances - Total Governmental Funds	\$	589,901
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
Capital Assets	130,672	
Accumulated Depreciation	<u>(111,801)</u>	18,871
Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds.		
		190,439
Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds.		
		(222,243)
The net pension liability is not due and payable in the current period and, therefore, is not reported in the funds.		
		<u>(2,100,841)</u>
Net Position-Total Governmental Activities	\$	<u>(1,523,873)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cesar Chavez Community School
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit)
Governmental Funds
For The Year Ended June 30, 2015

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101
REVENUES				
Property Taxes	\$ -	-	-	-
Local & County Grant	2,493	-	-	-
State Grant	2,026,082	14,443	-	-
Federal Grant	-	-	49,554	70,736
Charges for Services	-	-	-	-
Miscellaneous Income	-	-	-	-
Total Revenues	<u>2,028,575</u>	<u>14,443</u>	<u>49,554</u>	<u>70,736</u>
EXPENDITURES				
Current:				
Instruction	932,399	9,376	-	70,458
Support Services:				
Students	300,397	-	-	278
Instruction	2,404	-	-	-
General Administration	25,446	-	-	-
School Administration	241,092	-	-	-
Central Services	107,666	-	-	-
Operation & Maintenance of Plant	389,146	-	-	-
Food Services Operations	433	-	51,436	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>1,998,983</u>	<u>9,376</u>	<u>51,436</u>	<u>70,736</u>
Net Changes in Fund Balances	<u>29,592</u>	<u>5,067</u>	<u>(1,882)</u>	<u>-</u>
Fund Balances - Beginning of Year	<u>424,633</u>	<u>10,226</u>	<u>836</u>	<u>-</u>
Fund Balances (Deficit) - End of Year	<u>\$ 454,225</u>	<u>15,293</u>	<u>(1,046)</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements

IDEA-B Entitlement 24106	Teacher Principal Training 24154	Title XIX Medicaid 25152	CNM Foundation 26207	Dual Credit Instructional Materials 27103	GRADS 28190
-	-	-	-	-	-
-	-	-	1,500	-	-
-	-	-	-	881	11,500
42,248	10,496	183	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>42,248</u>	<u>10,496</u>	<u>183</u>	<u>1,500</u>	<u>881</u>	<u>11,500</u>
42,248	8,600	-	1,500	881	11,500
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	1,896	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>42,248</u>	<u>10,496</u>	<u>-</u>	<u>1,500</u>	<u>881</u>	<u>11,500</u>
-	-	<u>183</u>	-	-	-
-	-	-	-	-	-
-	-	<u>183</u>	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cesar Chavez Community School
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit) - Continued
Governmental Funds
For The Year Ended June 30, 2015

	GRADS Plus 28203	Public School Capital Outlay 31200	Special Capital Outlay State 31400	SB-9 Capital Improvements 31700
REVENUES				
Property Taxes	\$ -	-	-	57,222
Local & County Grant	-	-	-	-
State Grant	16,000	149,470	62,184	-
Federal Grant	-	-	-	-
Charges for Services	-	-	-	-
Miscellaneous Income	-	-	-	-
Total Revenues	<u>16,000</u>	<u>149,470</u>	<u>62,184</u>	<u>57,222</u>
EXPENDITURES				
Current:				
Instruction	16,023	-	-	-
Support Services:				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	149,470	62,184	30,786
Total Expenditures	<u>16,023</u>	<u>149,470</u>	<u>62,184</u>	<u>30,786</u>
Net Changes in Fund Balances	<u>(23)</u>	<u>-</u>	<u>-</u>	<u>26,436</u>
Fund Balances - Beginning of Year	<u>23</u>	<u>-</u>	<u>-</u>	<u>27,485</u>
Fund Balances (Deficit) - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>53,921</u>

The accompanying notes are an integral part of these financial statements

Foundation	Total
-	57,222
-	3,993
-	2,280,560
-	173,217
404,739	404,739
49	49
<u>404,788</u>	<u>2,919,780</u>

-	1,092,985
-	300,675
-	2,404
-	25,446
-	242,988
-	107,666
-	389,146
-	51,869
391,927	634,367
<u>391,927</u>	<u>2,847,546</u>

<u>12,861</u>	<u>72,234</u>
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<u>54,464</u>	<u>517,667</u>
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<u><u>67,325</u></u>	<u><u>589,901</u></u>
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STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cesar Chavez Community School
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances (Deficit) of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2015

Net Change in Fund Balances-Total Governmental Funds **\$ 72,234**

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

Capital outlays to purchase or build capital assets are reported in
 governmental funds as expenditures. However, for governmental activities
 those costs are shown in the Statement of Net Position and allocated over
 their estimated useful lives as annual depreciation expenses in the
 Statement of Activities. This is the amount by which capital outlay exceeds
 depreciation for the period

Depreciation Expense	(9,740)
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Changes in long-term liabilities

Change in Net Pension Liability	(12,694)
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Change in Net Position-Total Governmental Activities	<u>\$ 49,800</u>
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The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Cesar Chavez Community School
 Statement of Fiduciary Assets and Liabilities- Agency Funds
 June 30, 2015

	<u>Agency</u>
ASSETS	
Cash in Bank	\$ 5,329
Accounts Receivable	<u>279</u>
Total Assets	<u><u>\$ 5,608</u></u>
 LIABILITIES	
Deposits Held for Others	<u>\$ 5,608</u>
Total Liabilities	<u><u>\$ 5,608</u></u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cesar Chavez Community School
Schedule of Changes in Assets and Liabilities - Agency Funds
For The Year Ended June 30, 2015

	<u>Balance</u> <u>July 1, 2014</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2015</u>
ASSETS				
Cash in Bank	\$ 6,112	7,918	(8,701)	5,329
Accounts Receivable	-	279	-	279
Total Assets	<u>\$ 6,112</u>	<u>\$ 8,197</u>	<u>\$ (8,701)</u>	<u>\$ 5,608</u>
LIABILITIES				
Deposits Held for Others	\$ 6,112	8,197	(8,701)	5,608
Total Liabilities	<u>\$ 6,112</u>	<u>8,197</u>	<u>(8,701)</u>	<u>5,608</u>

The accompanying notes are an integral part of these financial statements

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Capital Assets. Capital assets purchased or acquired are 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. Cesar Chavez Community School's capitalization policy (i.e., the dollar value above which the asset acquisitions are added to the capital accounts) is \$5,000. Cesar Chavez Community School does not capitalize any interest with regard to its capital assets.

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

Furniture, Fixtures and Equipment	5-7 years
Buildings and Improvements	5-7 years

Capital assets for Cesar Chavez Community School are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB's Fiduciary Net Position have been determined on the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cesar Chavez Community School
Notes to the Financial Statements
June 30, 2015

NOTE 2. CAPITAL ASSETS

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

	<u>Balance</u> <u>June 30, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2015</u>
<i>Capital Assets being Depreciated:</i>				
Furniture, Fixtures and Equipment	107,402	-	-	107,402
Building and Improvements	23,270	-	-	23,270
<i>Total</i>	<u>130,672</u>	<u>-</u>	<u>-</u>	<u>130,672</u>
<i>Less: Accumulated Depreciation</i>				
Furniture, fixtures and equipment	(80,506)	(8,024)	-	(88,530)
Building and improvements	(21,555)	(1,716)	-	(23,271)
<i>Total</i>	<u>(102,061)</u>	<u>(9,740)</u>	<u>-</u>	<u>(111,801)</u>
Capital Assets, Net	<u>\$ 28,611</u>	<u>(9,740)</u>	<u>-</u>	<u>18,871</u>

Depreciation expensed for the year ended June 30, 2015 was expensed to the following functions:

Instruction	\$ 8,024
Facilities, Materials, Supplies & Other Services	1,716
Total	<u>\$ 9,740</u>

NOTE 3. COMMITMENTS AND LIABILITIES

Cesar Chavez Community School leases equipment and facilities under long-term cancelable operating leases. Rental expenses for the year ended June 30, 2015 was \$410,977. The Cesar Chavez Community School's minimum future payments on these leases are as follows:

Year Ending June 30:	
2016	\$ 422,542
2017	433,392
2018	440,805
2019	451,061
2020	462,289
Total	<u>\$ 2,210,089</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cesar Chavez Community School
Notes to the Financial Statements
June 30, 2015

NOTE 3. COMMITMENTS AND LIABILITIES (CONTINUED)

The Cesar Chavez Community School Education Foundation (Foundation) leased a facility under a long-term cancelable operating lease. Rental expenses for the year ended June 30, 2015 was \$350,169. The Foundation’s minimum future payments on these leases are as follows:

Year Ending June 30:	
2016	\$ 361,694
2017	372,544
2018	383,721
2019	395,232
2020	407,089
Total	<u>\$ 1,920,280</u>

NOTE 4. DEFICIT FUND BALANCE

The following fund had a deficit fund balance at June 30, 2015:

Food Services - 21000	\$	1,046
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Cesar Chavez Community School is addressing the negative fund balance and is planning on taking the appropriate actions to eliminate it.

NOTE 5. RELATED PARTY TRANSACTIONS

Cesar Chavez Community School has a Foundation which subleases the property to the school. The Foundation is considered a component unit of Cesar Chavez Community School and is presented as a blended component unit. In addition, business manager services are performed by Aptability, which performed services for multiple state charter schools.

NOTE 6. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to Cesar Chavez Community School and does not include general disclosure information pertaining to the New Mexico Educational Employees’ Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cesar Chavez Community School
Notes to the Financial Statements
June 30, 2015

NOTE 6. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Contributions. The contribution requirements of defined benefit plan members and Cesar Chavez Community School are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year ended June 30, 2014, employers contributed 13.15% of employees’ gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.10% of their gross annual salary. For fiscal year ended June 30, 2015 employers contributed 13.90% and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 contributed an increased amount of 10.70% of their gross annual salary. Contributions to the pension plan from Cesar Chavez Community School were \$147,583 for the year ended June 30, 2015.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2013. The total ERB pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2014, using generally accepted actuarial principles. Therefore, the employer’s portion was established as of the measurement date of June 30, 2014. At June 30, 2015, Cesar Chavez Community School reported a liability of \$2,100,841 for its proportionate share of the net pension liability. Cesar Chavez Community School’s proportion of the net pension liability is based on the employer contributing entity’s percentage of total employer contributions for the fiscal year ended June 30, 2014. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2014, Cesar Chavez Community School’s proportion was 0.03682%, which was an increase of 0.00092% from its proportion measured as of June 30, 2013.

For the year ended June 30, 2015, Cesar Chavez Community School recognized pension expense of \$160,277. At June 30, 2015, Cesar Chavez reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	31,291
Net difference between projected and actual earnings on pension plan investments	-	190,952
Changes in proportion and differences between Cesar Chavez Community School contributions and proportionate share of contributions	42,856	-
Cesar Chavez Community School contributions subsequent to the measurement date	147,583	-
Total	<u>\$ 190,439</u>	<u>222,243</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cesar Chavez Community School
Notes to the Financial Statements
June 30, 2015

NOTE 6. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

The amount of \$147,583 reported as deferred outflows of resources related to pensions resulting from Cesar Chavez Community School contributions subsequent to the measurement date of June 30, 2014 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2016	\$	43,730
2017		43,730
2018		44,212
2019		<u>47,715</u>
Total	\$	<u>179,387</u>

Sensitivity of Cesar Chavez Community School’s proportionate share of the net pension liability to changes in the discount rate. The following table shows the sensitivity of the net pension liability to changes in the discount rate as of June 30, 2014. In particular, the table presents the (employer’s) net pension liability under the current single rate assumption, as if it were calculated using a discount rate one percentage point lower (6.75%) or one percentage point higher (8.75%) than the single discount rate.

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
The School’s proportionate share of the net pension liability	<u>\$ 2,858,439</u>	<u>2,100,841</u>	<u>1,467,857</u>

Payables to the pension plan. At June 30, 2015, Cesar Chavez Community School owed \$33,349 to ERB for fiscal year 2015 contributions.

NOTE 7. RESTATEMENT

As a result of implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, net position at June 30, 2014 was restated in the amount of \$(2,119,951).

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
CESAR CHAVEZ COMMUNITY SCHOOL
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2015

**New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data***
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.04%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 2,101	-	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 1,015	-	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	207.03%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30, 2014

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
CESAR CHAVEZ COMMUNITY SCHOOL
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2015

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 133	-	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	133	-	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ -	-	-	-	-	-	-	-	-	-

		Increase (Decrease) in Pension Expense over Recognition Periods										
Year	Total Amount Deferred	Amortization Years	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
2014	\$ 179	5	\$ 44	\$ 44	\$ 44	\$ 44	\$ 47	\$ -	\$ -	\$ -	\$ -	\$ -
2015	-	5	-	-	-	-	-	-	-	-	-	-
2016	-	5	-	-	-	-	-	-	-	-	-	-
2017	-	5	-	-	-	-	-	-	-	-	-	-
2018	-	5	-	-	-	-	-	-	-	-	-	-
2019	-	5	-	-	-	-	-	-	-	-	-	-
2020	-	5	-	-	-	-	-	-	-	-	-	-
2021	-	5	-	-	-	-	-	-	-	-	-	-
2022	-	5	-	-	-	-	-	-	-	-	-	-
2023	-	5	-	-	-	-	-	-	-	-	-	-
	\$ 179		\$ 44	\$ 44	\$ 44	\$ 44	\$ 47	\$ -	\$ -	\$ -	\$ -	\$ -

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cesar Chavez Community School
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Local & County Grant	\$ -	-	2,493	2,493
State Grant	2,025,070	2,026,082	2,026,082	-
Total Revenues	<u>2,025,070</u>	<u>2,026,082</u>	<u>2,028,575</u>	<u>2,493</u>
EXPENDITURES				
Current:				
Instruction	1,164,663	1,201,546	934,649	266,897
Support Services:				
Students	296,318	313,966	299,055	14,911
Instruction	-	-	2,404	(2,404)
General Administration	28,600	29,785	20,257	9,528
School Administration	241,532	245,133	241,092	4,041
Central Services	85,341	128,749	92,434	36,315
Operation & Maintenance of Plant	391,643	404,099	380,988	23,111
Other Support Services Operations	116,000	116,000	-	116,000
Food Services Operations	-	800	433	367
Total Expenditures	<u>2,324,097</u>	<u>2,440,078</u>	<u>1,971,312</u>	<u>468,766</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(299,027)</u>	<u>(413,996)</u>	<u>57,263</u>	<u>471,259</u>
Other Financing Sources (Uses):				
Designated Cash	299,027	413,996	-	(413,996)
Total Other Financing Sources (Uses):	<u>299,027</u>	<u>413,996</u>	<u>-</u>	<u>(413,996)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>57,263</u>	<u>57,263</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>424,633</u>	<u>424,633</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>481,896</u>	<u>481,896</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 57,263	
Adjustments to Revenues			-	
Adjustments to Expenditures			(27,671)	
NET CHANGE IN FUND BALANCE			<u>\$ 29,592</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cesar Chavez Community School
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 10,299	14,443	14,443	-
Total Revenues	<u>10,299</u>	<u>14,443</u>	<u>14,443</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	10,299	24,668	5,569	19,099
Total Expenditures	<u>10,299</u>	<u>24,668</u>	<u>5,569</u>	<u>19,099</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>(10,225)</u>	<u>8,874</u>	<u>19,099</u>
Other Financing Sources (Uses):				
Designated Cash	-	10,225	-	(10,225)
Total Other Financing Sources (Uses):	<u>-</u>	<u>10,225</u>	<u>-</u>	<u>(10,225)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>8,874</u>	<u>8,874</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>10,226</u>	<u>10,226</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>19,100</u>	<u>19,100</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 8,874	
Adjustments to Revenues			-	
Adjustments to Expenditures			(3,807)	
NET CHANGE IN FUND BALANCE			<u>\$ 5,067</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cesar Chavez Community School
Schedule of Budgetary Comparisons - Budgetary Basis
Food Services 21000
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 60,000	60,000	49,554	(10,446)
Charges for Services	5,000	-	-	-
Total Revenues	<u>65,000</u>	<u>60,000</u>	<u>49,554</u>	<u>(10,446)</u>
EXPENDITURES				
Current:				
Food Services Operations	65,000	60,836	51,436	9,400
Total Expenditures	<u>65,000</u>	<u>60,836</u>	<u>51,436</u>	<u>9,400</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>(836)</u>	<u>(1,882)</u>	<u>(1,046)</u>
Other Financing Sources (Uses):				
Designated Cash	-	836	-	(836)
Total Other Financing Sources (Uses):	<u>-</u>	<u>836</u>	<u>-</u>	<u>(836)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(1,882)</u>	<u>(1,882)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>836</u>	<u>836</u>
Cash or Fund Balances (Deficit) - End of Year	<u>\$ -</u>	<u>-</u>	<u>(1,046)</u>	<u>(1,046)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (1,882)	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (1,882)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cesar Chavez Community School
Schedule of Budgetary Comparisons - Budgetary Basis
Title I IASA 24101
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 84,743	75,378	61,174	(14,204)
Total Revenues	<u>84,743</u>	<u>75,378</u>	<u>61,174</u>	<u>(14,204)</u>
EXPENDITURES				
Current:				
Instruction	83,743	74,378	70,458	3,920
Support Services:				
Students	1,000	1,000	278	722
Total Expenditures	<u>84,743</u>	<u>75,378</u>	<u>70,736</u>	<u>4,642</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(9,562)	(9,562)
Net Changes in Fund Balances	-	-	(9,562)	(9,562)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances (Deficit) - End of Year	<u>\$ -</u>	<u>-</u>	<u>(9,562)</u>	<u>(9,562)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (9,562)	
Adjustments to Revenues			9,562	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cesar Chavez Community School
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Entitlement 24106
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 37,994	42,248	33,159	(9,089)
Total Revenues	<u>37,994</u>	<u>42,248</u>	<u>33,159</u>	<u>(9,089)</u>
EXPENDITURES				
Current:				
Instruction	37,994	42,248	42,248	-
Total Expenditures	<u>37,994</u>	<u>42,248</u>	<u>42,248</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(9,089)	(9,089)
Net Changes in Fund Balances	-	-	(9,089)	(9,089)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances (Deficit) - End of Year	<u>\$ -</u>	<u>-</u>	<u>(9,089)</u>	<u>(9,089)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (9,089)	
Adjustments to Revenues			9,089	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Cesar Chavez Community School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Teacher Principal Training 24154
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 10,896	13,746	9,084	(4,662)
Total Revenues	<u>10,896</u>	<u>13,746</u>	<u>9,084</u>	<u>(4,662)</u>
EXPENDITURES				
Current:				
Instruction	9,000	11,850	8,600	3,250
Support Services:				
School Administration	1,896	1,896	1,896	-
Total expenditures	<u>10,896</u>	<u>13,746</u>	<u>10,496</u>	<u>3,250</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(1,412)	(1,412)
Net changes in Fund Balances	-	-	(1,412)	(1,412)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances (Deficit) - End of Year	<u>\$ -</u>	<u>-</u>	<u>(1,412)</u>	<u>(1,412)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (1,412)	
Adjustments to Revenues			1,412	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cesar Chavez Community School
Schedule of Budgetary Comparisons - Budgetary Basis
Title XIX Medicaid 25152
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ -	2,000	183	(1,817)
Total Revenues	<u>-</u>	<u>2,000</u>	<u>183</u>	<u>(1,817)</u>
EXPENDITURES				
Current:				
Support Services:				
Students	-	2,000	-	2,000
Total Expenditures	<u>-</u>	<u>2,000</u>	<u>-</u>	<u>2,000</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>183</u>	<u>183</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>183</u>	<u>183</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>183</u>	<u>183</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 183	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 183</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Cesar Chavez Community School
 Schedule of Budgetary Comparisons - Budgetary Basis
 CNM Foundation 26207
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Local & County Grant	\$ -	1,500	1,500	-
Total Revenues	<u>-</u>	<u>1,500</u>	<u>1,500</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	-	1,500	1,500	-
Total Expenditures	<u>-</u>	<u>1,500</u>	<u>1,500</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cesar Chavez Community School
Schedule of Budgetary Comparisons - Budgetary Basis
Dual Credit Instructional Materials 27103
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	1,062	881	(181)
Total Revenues	<u>-</u>	<u>1,062</u>	<u>881</u>	<u>(181)</u>
EXPENDITURES				
Current:				
Instruction	-	1,062	881	181
Total Expenditures	<u>-</u>	<u>1,062</u>	<u>881</u>	<u>181</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cesar Chavez Community School
Schedule of Budgetary Comparisons - Budgetary Basis
GRADS 28190
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	11,500	5,750	(5,750)
Total Revenues	<u>-</u>	<u>11,500</u>	<u>5,750</u>	<u>(5,750)</u>
EXPENDITURES				
Current:				
Instruction	-	11,500	11,500	-
Total Expenditures	<u>-</u>	<u>11,500</u>	<u>11,500</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(5,750)</u>	<u>(5,750)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(5,750)</u>	<u>(5,750)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances (Deficit) - End of Year	<u>\$ -</u>	<u>-</u>	<u>(5,750)</u>	<u>(5,750)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (5,750)	
Adjustments to Revenues			5,750	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cesar Chavez Community School
Schedule of Budgetary Comparisons - Budgetary Basis
GRADS Plus 28203
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	16,000	7,273	(8,727)
Total Revenues	<u>-</u>	<u>16,000</u>	<u>7,273</u>	<u>(8,727)</u>
EXPENDITURES				
Current:				
Instruction	-	16,000	14,164	1,836
Total Expenditures	<u>-</u>	<u>16,000</u>	<u>14,164</u>	<u>1,836</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(6,891)</u>	<u>(6,891)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(6,891)</u>	<u>(6,891)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances (Deficit) - End of Year	<u>\$ -</u>	<u>-</u>	<u>(6,891)</u>	<u>(6,891)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (6,891)	
Adjustments to Revenues			8,727	
Adjustments to Expenditures			(1,859)	
NET CHANGE IN FUND BALANCE			<u>\$ (23)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Cesar Chavez Community School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Public School Capital Outlay 31200
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	149,470	149,470	-
Total Revenues	<u>-</u>	<u>149,470</u>	<u>149,470</u>	<u>-</u>
EXPENDITURES				
Capital Outlay	-	149,470	149,470	-
Total Expenditures	<u>-</u>	<u>149,470</u>	<u>149,470</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cesar Chavez Community School
Schedule of Budgetary Comparisons - Budgetary Basis
Special Capital Outlay State 31400
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 97,215	97,215	50,370	(46,845)
Total Revenues	<u>97,215</u>	<u>97,215</u>	<u>50,370</u>	<u>(46,845)</u>
EXPENDITURES				
Capital Outlay	97,215	97,215	62,184	35,031
Total Expenditures	<u>97,215</u>	<u>97,215</u>	<u>62,184</u>	<u>35,031</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(11,814)	(11,814)
Net Changes in Fund Balances	-	-	(11,814)	(11,814)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances (Deficit) - End of Year	<u>\$ -</u>	<u>-</u>	<u>(11,814)</u>	<u>(11,814)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (11,814)	
Adjustments to Revenues			11,814	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cesar Chavez Community School
Schedule of Budgetary Comparisons - Budgetary Basis
SB-9 Capital Improvements 31700
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Property Taxes	\$ 59,029	59,029	57,222	(1,807)
Local & County Grant	8,152	12,868	-	(12,868)
Total Revenues	<u>67,181</u>	<u>71,897</u>	<u>57,222</u>	<u>(14,675)</u>
EXPENDITURES				
Capital Outlay	79,157	99,382	30,786	68,596
Total Expenditures	<u>79,157</u>	<u>99,382</u>	<u>30,786</u>	<u>68,596</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(11,976)</u>	<u>(27,485)</u>	<u>26,436</u>	<u>53,921</u>
Other Financing Sources (Uses):				
Designated Cash	11,976	27,485	-	(27,485)
Total Other Financing Sources (Uses):	<u>11,976</u>	<u>27,485</u>	<u>-</u>	<u>(27,485)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>26,436</u>	<u>26,436</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>27,485</u>	<u>27,485</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>53,921</u>	<u>53,921</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 26,436	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 26,436</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cesar Chavez Community School
Schedule of Collateral Pledged by Depository for Public Funds
June 30, 2015

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2015</u>
Wells Fargo	FN AI1934	3138AFEG1	5/1/2041	\$ 70,557
Wells Fargo	FN AR8932	3138W64S2	3/1/2043	10,238
Wells Fargo	FN AT6892	3138WUUS0	9/1/2043	37,056
Wells Fargo	FN AU0924	3138X0A24	7/1/2043	53,544
Wells Fargo	FN MA1029	31418AEB0	3/1/2032	42,151
Wells Fargo	FN MA1534	31418AV47	8/1/2043	6,730
Wells Fargo	FN MA1525	31418AVT2	8/1/2043	18,840
				\$ 239,116

Total Cash in Bank for the School per Schedule of Cash Accounts:	\$ 638,119
Less: FDIC coverage:	<u>(250,000)</u>
Uninsured Public Funds:	388,119
Collateral Requirement:	194,060
Pledged Collateral Held by Pledging Financial Institution:	<u>239,116</u>
Balance Over Collateralized:	<u>\$ 45,056</u>
School Balance Uninsured and Uncollateralized at June 30, 2015:	<u>\$ 149,003</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cesar Chavez Community School
Schedule of Cash Accounts
June 30, 2015

<u>Bank Account Type</u>	<u>Wells Fargo</u>	<u>Bank of Albuquerque</u>	<u>Total</u>
Checking - Operational Account	\$ 632,714	-	632,714
Checking - Activity Account	5,405	-	5,405
Checking - Foundation	-	39,206	39,206
Total on Deposit	638,119	39,206	677,325
Reconciling Items	(4,417)	-	(4,417)
Reconciled Balance June 30, 2015	633,702	39,206	672,908
Less Agency Funds	(5,329)	-	(5,329)
Total Cash	<u>\$ 628,373</u>	<u>39,206</u>	<u>667,579</u>

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cesar Chavez Community School
Cash Reconciliation
June 30, 2015

	Operational 11000	Instructional Materials 14000	Food Services 21000	Non-Instruct. Fund 23000	Federal Projects Account 24000
Cash, June 30, 2014	\$ 434,073	10,226	836	6,112	6,235
Add:					
2014-15 revenues	<u>2,028,575</u>	<u>14,443</u>	<u>49,554</u>	<u>8,197</u>	<u>103,417</u>
Total Cash Available	2,462,648	24,669	50,390	14,309	109,652
Less:					
2014-15 expenditures	(1,971,312)	(5,569)	(51,436)	(8,701)	(123,480)
Receivables/Payables	37,926	-	-	(279)	41,608
Outstanding Loans	<u>25,907</u>	<u>-</u>	<u>1,046</u>	<u>-</u>	<u>(27,780)</u>
Cash June 30, 2015	<u>555,169</u>	<u>19,100</u>	<u>-</u>	<u>5,329</u>	<u>-</u>
Fund Balance Reconciliations to GAAP Basis:					
Audit reclassifications to cash	-	-	-	-	-
Cash Per Books	<u>555,169</u>	<u>19,100</u>	<u>-</u>	<u>5,329</u>	<u>-</u>
Fund Balance Reconciliation to GAAP Basis:					
Modified Accrual Adjustments	<u>(100,944)</u>	<u>(3,807)</u>	<u>(1,046)</u>	<u>(5,329)</u>	<u>-</u>
Fund Balance (Deficit), Modified Accrual Basis	<u>\$ 454,225</u>	<u>15,293</u>	<u>(1,046)</u>	<u>-</u>	<u>-</u>

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

<u>Federal Direct Account 25000</u>	<u>Local Grant Account 26000</u>	<u>State Account 27000</u>	<u>State Direct Account 28000</u>	<u>Public School Capital Outlay 31200</u>	<u>Special Capital Outlay - State 31400</u>	<u>SB-9 Capital Improvements 31700</u>	<u>Total</u>
-	-	-	23	-	-	26,370	483,875
<u>183</u>	<u>1,500</u>	<u>881</u>	<u>13,023</u>	<u>149,470</u>	<u>50,370</u>	<u>57,222</u>	<u>2,476,835</u>
183	1,500	881	13,046	149,470	50,370	83,592	2,960,710
-	(1,500)	(881)	(25,664)	(149,470)	(62,184)	(30,786)	(2,430,983)
-	-	-	-	-	23,628	1,115	103,998
-	-	-	<u>12,641</u>	-	<u>(11,814)</u>	-	-
<u>183</u>	-	-	<u>23</u>	-	-	<u>53,921</u>	<u>633,725</u>
-	-	-	<u>(23)</u>	-	-	-	<u>(23)</u>
<u>183</u>	-	-	-	-	-	<u>53,921</u>	<u>633,702</u>
Less: Activity Funds Per Schedule of Changes in Assets and Liabilities- Agency Fund:							<u>(5,329)</u>
Balance Sheet-Foundation:							<u>39,206</u>
							<u>\$ 667,579</u>
-	-	-	-	-	-	-	(111,126)
<u>183</u>	-	-	-	-	-	<u>53,921</u>	<u>522,576</u>
Add: Foundation:							<u>67,325</u>
							<u>\$ 589,901</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cien Aguas International School
Statement of Net Position
June 30, 2015

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$	942,303
Receivables		
Due from Government		45,213
Prepaid Expenditures		55,338
Total Current Assets		<u>1,042,854</u>

Noncurrent Assets:

Capital Assets		
Building and Improvements		16,162
Furniture, Fixtures, and Equipment		175,127
Less: Accumulated Depreciation		<u>(71,398)</u>
Total Noncurrent Assets		<u>119,891</u>
Total Assets		<u>1,162,745</u>

Deferred Outflows - Pension Related		<u>519,344</u>
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LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accounts Payable		15,873
Accrued Expenditures		243,327
Due to Government		14,510
Total Current Liabilities		<u>273,710</u>

Noncurrent Liabilities:

Net Pension Liability		<u>2,620,063</u>
Total Noncurrent Liabilities		<u>2,620,063</u>
Total Liabilities		<u>2,893,773</u>

Deferred Inflows - Pension Related		<u>277,226</u>
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NET POSITION

Investment in Capital Assets		119,891
Restricted		599,930
Unrestricted (Deficit)		<u>(2,208,731)</u>
Total Net Position	\$	<u><u>(1,488,910)</u></u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cien Aguas International School
Statement of Activities
For The Year Ended June 30, 2015

Functions/Programs	Program Revenues				Net (Expenses) Revenues and Changes in Net Position
	Expenses	Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 1,890,891	53,507	164,922	-	(1,672,462)
Support Services:					
Students	180,018	-	-	-	(180,018)
Instruction	32,100	-	-	-	(32,100)
General Administration	26,351	-	-	-	(26,351)
School Administration	332,790	-	-	-	(332,790)
Central Services	77,429	-	-	-	(77,429)
Operation & Maintenance of Plant	302,098	-	-	-	(302,098)
Student Transportation	101,672	-	105,837	-	4,165
Food Services	74,260	29,047	47,694	-	2,481
Facilities Materials, Supplies & Other Services	307,178	-	-	229,754	(77,424)
Total Governmental Activities	\$ 3,324,787	82,554	318,453	229,754	(2,694,026)
General Revenues:					
Property Taxes					\$ 283,196
State Equalization Guarantee					2,526,481
Miscellaneous					4,687
Total General Revenues					<u>2,814,364</u>
Change in Net Position					120,338
Net Position, Beginning					<u>682,314</u>
Restatement Recognized by GASB 68					(2,291,562)
Net Position, Beginning, as Restated					<u>(1,609,248)</u>
Net Position, Ending					<u>\$ (1,488,910)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cien Aguas International School
Balance Sheets - Governmental Funds
June 30, 2015

	Operational 11000	Pupil Transportation 13000	Instructional Materials 14000	Food Services 21000
ASSETS				
Cash and Cash Equivalents	\$ 385,229	29,019	15,042	14,488
Accounts Receivable				
Due from Government	-	-	-	-
Due from Other Funds	22,116	-	-	-
Prepaid Expenditures	46,893	-	-	-
Total Assets	\$ 454,238	29,019	15,042	14,488
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 9,746	-	-	-
Accrued Expenditures	228,385	-	-	-
Due to Government	-	14,510	-	-
Due to Other Funds	-	-	-	-
Total Liabilities	238,131	14,510	-	-
Fund Balances				
Fund Balance:				
Nonspendable:				
Prepaid Expenditures	46,893	-	-	-
Restricted for:				
Instruction	-	-	15,042	-
Food Service Operations	-	-	-	14,488
Student Transportation	-	14,509	-	-
Capital Improvements	-	-	-	-
Assigned to:				
Subsequent Years Expenditures and Other Programs	169,214	-	-	-
Total Fund Balance	216,107	14,509	15,042	14,488
Total Liabilities and Fund Balances	\$ 454,238	29,019	15,042	14,488

The accompanying notes are an integral part of these financial statements

Title I IASA 24101	IDEA-B Entitlement 24106	IDEA-B Risk Pool 24120	Teacher Principal Training 24154	Title XIX Medicaid 25153	Golden Apple Foundation 26163
-	-	-	-	3,527	699
14,189	7,954	68	3,736	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>14,189</u>	<u>7,954</u>	<u>68</u>	<u>3,736</u>	<u>3,527</u>	<u>699</u>
-	-	-	-	-	-
4,093	4,778	-	-	-	-
-	-	-	-	-	-
10,096	3,176	68	3,736	-	-
<u>14,189</u>	<u>7,954</u>	<u>68</u>	<u>3,736</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	3,527	699
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,527</u>	<u>699</u>
<u>14,189</u>	<u>7,954</u>	<u>68</u>	<u>3,736</u>	<u>3,527</u>	<u>699</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cien Aguas International School
Balance Sheets - Governmental Funds (Continued)
June 30, 2015

	Library GO Bonds 27107	Reads to Lead 27114	Next Gen Assessments 27185	Public School Capital Outlay 31200
ASSETS				
Cash and Cash Equivalents	\$ -	-	-	-
Accounts Receivable				
Due from Government	-	11,111	-	-
Due from Other Funds	-	-	-	-
Prepaid Expenditures	-	-	-	-
Total Assets	<u>-</u>	<u>11,111</u>	<u>-</u>	<u>-</u>
LIABILITIES AND FUND BALANCES				
<i>Liabilities:</i>				
Accounts Payable	-	-	-	-
Accrued Expenditures	-	6,071	-	-
Due to Government	-	-	-	-
Due to Other Funds	-	5,040	-	-
Total Liabilities	<u>-</u>	<u>11,111</u>	<u>-</u>	<u>-</u>
<i>Fund Balances</i>				
Fund Balance:				
Nonspendable:				
Prepaid Expenditures	-	-	-	-
Restricted for:				
Instruction	-	-	-	-
Food Service Operations	-	-	-	-
Student Transportation	-	-	-	-
Capital Improvements	-	-	-	-
Assigned to:				
Subsequent Years Expenditures and Other Programs	-	-	-	-
Total Fund Balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities and Fund Balances	<u>\$ -</u>	<u>11,111</u>	<u>-</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements

HB-33 Capital Improvements 31600	SB-9 Capital Improvements 31700	Total
403,752	90,547	942,303
-	8,155	45,213
-	-	22,116
-	8,445	55,338
<u>403,752</u>	<u>107,147</u>	<u>1,064,970</u>
-	6,127	15,873
-	-	243,327
-	-	14,510
-	-	22,116
<u>-</u>	<u>6,127</u>	<u>295,826</u>
-	8,445	55,338
-	-	19,268
-	-	14,488
-	-	14,509
403,752	92,575	496,327
<u>-</u>	<u>-</u>	<u>169,214</u>
<u>403,752</u>	<u>101,020</u>	<u>769,144</u>
<u>403,752</u>	<u>107,147</u>	<u>1,064,970</u>

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STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cien Aguas International School
Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
June 30, 2015

Fund Balances - Total Governmental Funds **\$ 769,144**

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

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

Capital Assets	191,289	
Accumulated Depreciation	<u>(71,398)</u>	
		119,891

Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds		519,344
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Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds.		(277,226)
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The net pension liability is not due and payable in the current period and, therefore, is not reported in the funds.		<u>(2,620,063)</u>
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Net Position -Total Governmental Activities		<u><u>\$ (1,488,910)</u></u>
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The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cien Aguas International School
Statement of Revenues, Expenditures, and Changes In Fund Balances
Governmental Funds
For The Year Ended June 30, 2015

	Operational 11000	Pupil Transportation 13000	Instructional Materials 14000	Food Services 21000
REVENUES				
Property Taxes	\$ -	-	-	-
Local & County Grant	2,637	-	-	-
State Grant	2,526,481	105,837	24,972	-
Federal Grant	-	-	-	47,694
Charges for Services	53,507	-	-	29,047
Miscellaneous Income	4,687	-	-	-
Total Revenues	<u>2,587,312</u>	<u>105,837</u>	<u>24,972</u>	<u>76,741</u>
EXPENDITURES				
Current:				
Instruction	1,674,628	-	11,624	-
Support Services:				
Students	176,674	-	-	-
Instruction	32,100	-	-	-
General Administration	26,351	-	-	-
School Administration	319,833	-	-	-
Central Services	75,161	-	-	-
Operation & Maintenance of Plant	289,383	-	-	-
Student Transportation	-	101,672	-	-
Food Services Operations	2,533	-	-	71,727
Capital Outlay	-	-	-	-
Total Expenditures	<u>2,596,663</u>	<u>101,672</u>	<u>11,624</u>	<u>71,727</u>
Net Changes in Fund Balances	<u>(9,351)</u>	<u>4,165</u>	<u>13,348</u>	<u>5,014</u>
Fund Balances - Beginning of Year	<u>225,458</u>	<u>10,344</u>	<u>1,694</u>	<u>9,474</u>
Fund Balances - End of Year	<u>\$ 216,107</u>	<u>14,509</u>	<u>15,042</u>	<u>14,488</u>

The accompanying notes are an integral part of these financial statements

Title I IASA 24101	IDEA-B Entitlement 24106	IDEA-B Risk Pool 24120	Teacher Principal Training 24154	Title XIX Medicaid 25153	Golden Apple Foundation 26163
-	-	-	-	-	-
-	-	-	-	-	1,495
-	-	-	-	-	-
33,494	44,993	68	3,736	3,527	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>33,494</u>	<u>44,993</u>	<u>68</u>	<u>3,736</u>	<u>3,527</u>	<u>1,495</u>
33,494	43,777	-	3,736	-	796
-	1,216	68	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>33,494</u>	<u>44,993</u>	<u>68</u>	<u>3,736</u>	<u>-</u>	<u>796</u>
-	-	-	-	3,527	699
-	-	-	-	-	-
-	-	-	-	3,527	699

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cien Aguas International School
Statement of Revenues, Expenditures, and Changes In Fund Balances - Continued
Governmental Funds
For The Year Ended June 30, 2015

	Library GO Bonds 27107	Reads to Lead 27114	Next Gen Assessments 27185	Public School Capital Outlay 31200
REVENUES				
Property Taxes	\$ -	-	-	-
Local & County Grant	-	-	-	-
State Grant	-	50,000	-	229,754
Federal Grant	-	-	-	-
Charges for Services	-	-	-	-
Miscellaneous Income	-	-	-	-
Total Revenues	<u>-</u>	<u>50,000</u>	<u>-</u>	<u>229,754</u>
EXPENDITURES				
Current:				
Instruction	-	50,000	-	-
Support Services:				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	229,754
Total Expenditures	<u>-</u>	<u>50,000</u>	<u>-</u>	<u>229,754</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements

HB-33 Capital Improvements 31600	SB-9 Capital Improvements 31700	Total
179,746	103,450	283,196
-	-	4,132
-	-	2,937,044
-	-	133,512
-	-	82,554
-	-	4,687
<u>179,746</u>	<u>103,450</u>	<u>3,445,125</u>
-	-	1,818,055
-	-	177,958
-	-	32,100
-	-	26,351
-	-	319,833
-	-	75,161
-	-	289,383
-	-	101,672
-	-	74,260
<u>9,788</u>	<u>64,942</u>	<u>304,484</u>
<u>9,788</u>	<u>64,942</u>	<u>3,219,257</u>
<u>169,958</u>	<u>38,508</u>	<u>225,868</u>
<u>233,794</u>	<u>62,512</u>	<u>543,276</u>
<u>403,752</u>	<u>101,020</u>	<u>769,144</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cien Aguas International School
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances (Deficit) of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2015

Net Change in Fund Balances-Total Governmental Funds **\$ 225,868**

Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the Statement of Net Position and allocated over their estimated useful lives as annual depreciation expenses in the Statement of Activities. This is the amount by which capital outlay exceeds depreciation for the period

Depreciation Expense (19,147)

Changes in long-term liabilities

Change in the net pension liability (86,383)

Change in Net Position-Total Governmental Activities **\$ 120,338**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cien Aguas International School
Statement of Fiduciary Assets and Liabilities- Agency Funds
June 30, 2015

	<u>Funds</u>
ASSETS	
Cash in Bank	<u>\$ 1,201</u>
Total Assets	<u><u>\$ 1,201</u></u>
 LIABILITIES	
Deposits Held for Others	<u>\$ 1,201</u>
Total Liabilities	<u><u>\$ 1,201</u></u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cien Aguas International School
Schedule of Changes in Assets and Liabilities - Agency Funds
For The Year Ended June 30, 2015

	<u>Balance July 1, 2014</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2015</u>
ASSETS				
Cash in Bank	\$ -	2,321	(1,120)	1,201
Total Assets	<u>\$ -</u>	<u>2,321</u>	<u>(1,120)</u>	<u>1,201</u>
LIABILITIES				
Deposits Held for Others	\$ -	2,321	(1,120)	1,201
Total Liabilities	<u>\$ -</u>	<u>2,321</u>	<u>(1,120)</u>	<u>1,201</u>

The accompanying notes are an integral part of these financial statements

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Capital Assets. Capital assets purchased or acquired are 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. Cien Aguas International School's capitalization policy (i.e., the dollar value above which the asset acquisitions are added to the capital accounts) is \$5,000. The Cien Aguas International School does not capitalize any interest with regard to its capital assets.

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

Building Improvements	15 years
Furniture, Fixtures and Equipment	3-15 years

Capital assets for Cien Aguas International School are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB's Fiduciary Net Position have been determined on the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cien Aguas International School
Notes to the Financial Statements
June 30, 2015

NOTE 2. CAPITAL ASSETS

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

	<u>Balance</u> <u>June 30, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2015</u>
<i>Capital Assets being Depreciated:</i>				
Furniture, Fixtures and Equipment	\$ 175,127	-	-	175,127
Building Improvements	16,162	-	-	16,162
<i>Total</i>	<u>191,289</u>	<u>-</u>	<u>-</u>	<u>191,289</u>
<i>Less: Accumulated Depreciation</i>				
Furniture, Fixtures and Equipment	(50,455)	(16,453)	-	(66,908)
Building Improvements	(1,796)	(2,694)	-	(4,490)
<i>Total</i>	<u>(52,251)</u>	<u>(19,147)</u>	<u>-</u>	<u>(71,398)</u>
Capital Assets, Net	<u>\$ 139,038</u>	<u>(19,147)</u>	<u>-</u>	<u>119,891</u>

Depreciation expensed for the year ended June 30, 2015 was expensed to the following functions:

Instruction	\$ 3,028
School Administration	713
Operation and Maintenance of Plant	12,712
Capital Outlay	2,694
Total	<u>\$ 19,147</u>

NOTE 3. COMMITMENTS AND LIABILITIES

Cien Aguas International School leases facilities under long-term cancelable operating leases. Lease expenses for the year ended June 30, 2015 was \$329,705. Cien Aguas International School's minimum future payments on this lease are as follows:

Year Ending June 30:	
2016	\$ 355,782
2017	372,557
2018	387,619
2019	403,283
2020	419,574
2021	436,357
Total	<u>\$ 2,375,172</u>

NOTE 4. RELATED PARTY TRANSACTIONS

The business manager for Cien Aguas International School during fiscal year 2014 was also the business manager for Bataan Military Academy charter school. A governing council member is employed by a company that provides services to the school. Payments to this vendor were approximately \$2,600 during the year.

NOTE 5. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to Cien Aguas International School and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions. The contribution requirements of defined benefit plan members and Cien Aguas International School are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year ended June 30, 2014, employers contributed 13.15% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.10% of their gross annual salary. For fiscal year ended June 30, 2015 employers contributed 13.90% and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 contributed an increased amount of 10.70% of their gross annual salary. Contributions to the pension plan from Cien Aguas International School were \$204,397 for the year ended June 30, 2015.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2013. The total ERB pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2014, using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date June 30, 2014. At June 30, 2015, Cien Aguas International School reported a liability of \$2,620,063 for its proportionate share of the net pension liability. Cien Aguas International School's proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2014. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2014, Cien Aguas International School's proportion was 0.04592%, which was an increase of 0.00696% from its proportion measured as of June 30, 2013.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cien Aguas International School
Notes to the Financial Statements
June 30, 2015

NOTE 5. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

For the year ended June 30, 2015, Cien Aguas International School recognized pension expense of \$290,780. At June 30, 2015, Cien Aguas International School reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	39,033
Net difference between projected and actual earnings on pension plan investments	-	238,193
Changes in proportion and differences between Cien Aguas International School contributions and proportionate share of contributions	314,947	-
Cien Aguas International School contributions subsequent to the measurement date	204,397	-
	<hr/>	<hr/>
Total	\$ 519,344	277,226

The amount of \$204,397 reported as deferred outflows of resources related to pensions resulting from Cien Aguas International Charter School contributions subsequent to the measurement date of June 30, 2014 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2016	\$ (36,260)
2017	(36,260)
2018	(24,764)
2019	59,563
Total	<hr/> \$ (37,721) <hr/>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Cien Aguas International School
 Notes to the Financial Statements
 June 30, 2015

NOTE 6. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

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

	<u>1% Decrease (6.75%)</u>	<u>Current Discount Rate (7.75%)</u>	<u>1% Increase (8.75%)</u>
Cien Aguas International School’s proportionate share of the net pension liability	\$ 3,564,900	2,620,063	1,831,005

Payables to the pension plan. At June 30, 2015, Cien Aguas International School owed \$64,081 to ERB for fiscal year 2015 contributions.

NOTE 7. RESTATEMENT

As a result of implementation of GASB No. 68, *Accounting and Financial Reporting for Pensions*, net position at June 30, 2014 was restated in the amount of \$(2,291,562).

NOTE 8. OVERSPENT BUDGET LINE ITEM

As state in finding CS 2015-004-1, Cien Aguas International School had expenditures in excess of the budget in the following fund:

11000 Operational (Operation & Maintenance of Plant)	\$ 12,543
11000 Operational (Food Services Operations)	\$ 1,533

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
CIEN AGUAS INTERNATIONAL SCHOOL
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2015

**New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data***
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.05%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 2,620	-	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 1,266	-	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	206.99%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30, 2014

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 CIEN AGUAS INTERNATIONAL SCHOOL
 SCHEDULE OF SCHOOL CONTRIBUTIONS
 June 30, 2015

New Mexico Educational Retirement Board Pension Plan
 Schedule of Ten Year Tracking Data
 (Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 166	-	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	166	-	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ -	-	-	-	-	-	-	-	-	-

Increase (Decrease) in Pension Expense over Recognition Periods

Year	Total Amount Deferred	Amortization Years	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
2014	\$ (38)	5		\$ (36)	(36)	(25)	59	-	-	-	-	-
2015	-	5			-	-	-	-	-	-	-	-
2016	-	5				-	-	-	-	-	-	-
2017	-	5					-	-	-	-	-	-
2018	-	5						-	-	-	-	-
2019	-	5							-	-	-	-
2020	-	5								-	-	-
2021	-	5									-	-
2022	-	5										-
2023	-	5										-
	\$ (38)			\$ (36)	(36)	(25)	59	-	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cien Aguas International School
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Local & County Grant	\$ -	-	2,637	2,637
State Grant	2,476,499	2,524,513	2,526,481	1,968
Miscellaneous	-	4,687	4,687	-
Charges for Services	45,000	45,000	53,507	8,507
Total Revenues	2,521,499	2,574,200	2,587,312	13,112
EXPENDITURES				
Current:				
Instruction	1,791,325	1,791,235	1,670,199	121,036
Support Services:				
Students	141,320	180,384	175,521	4,863
Instruction	41,420	32,100	32,100	-
General Administration	32,500	28,300	25,477	2,823
School Administration	310,832	319,267	317,055	2,212
Central Services	78,220	82,575	80,228	2,347
Operation & Maintenance of Plant	279,623	293,990	318,779	(24,789)
Food Services Operations	1,000	1,000	2,533	(1,533)
Total Expenditures	2,676,240	2,728,851	2,621,892	106,959
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	(154,741)	(154,651)	(34,580)	120,071
Other Financing Sources (Uses):				
Designated Cash	154,741	154,651	-	(154,651)
Total Other Financing Sources (Uses):	154,741	154,651	-	(154,651)
Net Changes in Fund Balances	-	-	(34,580)	(34,580)
Cash or Fund Balances - Beginning of Year	-	-	225,458	225,458
Cash or Fund Balances - End of Year	\$ -	-	190,878	190,878
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>				
Adjustments to Revenues			\$ (34,580)	
Adjustments to Expenditures			25,229	
NET CHANGE IN FUND BALANCE			\$ (9,351)	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cien Aguas International School
Schedule of Budgetary Comparisons - Budgetary Basis
Pupil Transportation 13000
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 67,239	120,347	120,347	-
Total Revenues	<u>67,239</u>	<u>120,347</u>	<u>120,347</u>	<u>-</u>
EXPENDITURES				
Current:				
Student Transportation	67,239	120,347	101,672	18,675
Total Expenditures	<u>67,239</u>	<u>120,347</u>	<u>101,672</u>	<u>18,675</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>18,675</u>	<u>18,675</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>18,675</u>	<u>18,675</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>10,344</u>	<u>10,344</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>29,019</u>	<u>29,019</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 18,675	
Adjustments to Revenues			(14,510)	
Adjustments to Expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 4,165</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cien Aguas International School
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 15,901	24,972	24,972	-
Total Revenues	<u>15,901</u>	<u>24,972</u>	<u>24,972</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	15,901	24,972	11,624	13,348
Total Expenditures	<u>15,901</u>	<u>24,972</u>	<u>11,624</u>	<u>13,348</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	13,348	13,348
Net Changes in Fund Balances	-	-	13,348	13,348
Cash or Fund Balances - Beginning of Year	-	-	1,694	1,694
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>15,042</u>	<u>15,042</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 13,348	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 13,348</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cien Aguas International School
Schedule of Budgetary Comparisons - Budgetary Basis
Food Services 21000
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 46,000	54,323	47,694	(6,629)
Charges for Services	17,000	17,000	29,047	12,047
Total Revenues	63,000	71,323	76,741	5,418
EXPENDITURES				
Current:				
Food Services Operations	64,000	72,323	71,727	596
Total Expenditures	64,000	72,323	71,727	596
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	(1,000)	(1,000)	5,014	6,014
Other Financing Sources (Uses):				
Designated Cash	1,000	1,000	-	(1,000)
Total Other Financing Sources (Uses):	1,000	1,000	-	(1,000)
Net Changes in Fund Balances	-	-	5,014	5,014
Cash or Fund Balances - Beginning of Year	-	-	9,474	9,474
Cash or Fund Balances - End of Year	\$ -	-	14,488	14,488
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 5,014	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 5,014	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cien Aguas International School
Schedule of Budgetary Comparisons - Budgetary Basis
Title I IASA 24101
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 39,643	39,643	29,006	(10,637)
Total Revenues	<u>39,643</u>	<u>39,643</u>	<u>29,006</u>	<u>(10,637)</u>
EXPENDITURES				
Current:				
Instruction	39,643	39,643	33,494	6,149
Total Expenditures	<u>39,643</u>	<u>39,643</u>	<u>33,494</u>	<u>6,149</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(4,488)	(4,488)
Net Changes in Fund Balances	-	-	(4,488)	(4,488)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(4,488)</u>	<u>(4,488)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (4,488)	
Adjustments to Revenues			4,488	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cien Aguas International School
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Entitlement 24106
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 43,671	48,564	62,738	14,174
Total Revenues	<u>43,671</u>	<u>48,564</u>	<u>62,738</u>	<u>14,174</u>
EXPENDITURES				
Current:				
Instruction	43,671	47,348	43,777	3,571
Support Services:				
Students	-	1,216	1,216	-
Total Expenditures	<u>43,671</u>	<u>48,564</u>	<u>44,993</u>	<u>3,571</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	17,745	17,745
Net Changes in Fund Balances	-	-	17,745	17,745
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>17,745</u>	<u>17,745</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 17,745	
Adjustments to Revenues			(17,745)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Cien Aguas International School
 Schedule of Budgetary Comparisons - Budgetary Basis
 IDEA-B Risk Pool 24120
 For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ -	68	543	475
Total Revenues	<u>-</u>	<u>68</u>	<u>543</u>	<u>475</u>
EXPENDITURES				
Current:				
Support Services:				
Students	-	68	68	-
Total Expenditures	<u>-</u>	<u>68</u>	<u>68</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>475</u>	<u>475</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>475</u>	<u>475</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>475</u>	<u>475</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 475	
Adjustments to Revenues			(475)	
Adjustments to Expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cien Aguas International School
Schedule of Budgetary Comparisons - Budgetary Basis
Teacher Principal Training 24154
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 8,984	12,441	8,806	(3,635)
Total Revenues	8,984	12,441	8,806	(3,635)
EXPENDITURES				
Current:				
Instruction	8,984	12,441	3,736	8,705
Total expenditures	8,984	12,441	3,736	8,705
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	5,070	5,070
Net changes in Fund Balances	-	-	5,070	5,070
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	5,070	5,070
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 5,070	
Adjustments to Revenues			(5,070)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cien Aguas International School
Schedule of Budgetary Comparisons - Budgetary Basis
Title XIX Medicaid 25153
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ -	-	3,527	3,527
Total Revenues	<u>-</u>	<u>-</u>	<u>3,527</u>	<u>3,527</u>
EXPENDITURES				
Current:				
Instruction	-	-	-	-
Support Services:				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services Operations	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service				
Principal	-	-	-	-
Interest	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	-	-	3,527	3,527
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>3,527</u>	<u>3,527</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>3,527</u>	<u>3,527</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ 3,527	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 3,527</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Cien Aguas International School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Golden Apple Foundation 26163
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Local & County Grant	\$ -	1,495	1,495	-
Total Revenues	<u>-</u>	<u>1,495</u>	<u>1,495</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	-	1,495	796	699
Total Expenditures	<u>-</u>	<u>1,495</u>	<u>796</u>	<u>699</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	699	699
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>699</u>	<u>699</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>699</u>	<u>699</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 699	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 699</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cien Aguas International School
Schedule of Budgetary Comparisons - Budgetary Basis
2012 GO Bond Student Library 27107
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Property Taxes	\$ -	-	-	-
Local & County Grant	-	-	-	-
State Grant	-	-	3,273	3,273
Federal Grant	-	-	-	-
Charges for Services	-	-	-	-
Total Revenues	-	-	3,273	3,273
EXPENDITURES				
Current:				
Instruction	-	-	-	-
Support Services:				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services Operations	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service				
Principal	-	-	-	-
Interest	-	-	-	-
Total Expenditures	-	-	-	-
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	-	-	3,273	3,273
Net Changes in Fund Balances	-	-	3,273	3,273
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	3,273	3,273
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ 3,273	
Adjustments to Revenues			(3,273)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cien Aguas International School
Schedule of Budgetary Comparisons - Budgetary Basis
Reads to Lead 27114
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 50,000	50,000	40,889	(9,111)
Total Revenues	<u>50,000</u>	<u>50,000</u>	<u>40,889</u>	<u>(9,111)</u>
EXPENDITURES				
Current:				
Instruction	50,000	50,000	50,000	-
Total Expenditures	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>				
	-	-	(9,111)	(9,111)
Net Changes in Fund Balances	-	-	(9,111)	(9,111)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(9,111)</u>	<u>(9,111)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>				
			\$ (9,111)	
Adjustments to Revenues			9,111	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cien Aguas International School
Schedule of Budgetary Comparisons - Budgetary Basis
Next Generation Assessment 27185
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Property Taxes	\$ -	-	-	-
Local & County Grant	-	-	-	-
State Grant	-	-	1,878	1,878
Federal Grant	-	-	-	-
Charges for Services	-	-	-	-
Total Revenues	-	-	1,878	1,878
EXPENDITURES				
Current:				
Instruction	-	-	-	-
Support Services:				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services Operations	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service				
Principal	-	-	-	-
Interest	-	-	-	-
Total Expenditures	-	-	-	-
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	-	-	1,878	1,878
Net Changes in Fund Balances	-	-	1,878	1,878
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	1,878	1,878
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ 1,878	
Adjustments to Revenues			(1,878)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Cien Aguas International School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Public School Capital Outlay 31200
 For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	229,754	229,754	-
Total Revenues	<u>-</u>	<u>229,754</u>	<u>229,754</u>	<u>-</u>
EXPENDITURES				
Capital Outlay	-	229,754	229,754	-
Total Expenditures	<u>-</u>	<u>229,754</u>	<u>229,754</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cien Aguas International School
Schedule of Budgetary Comparisons - Budgetary Basis
HB-33 Capital Improvements 31600
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Property Taxes	\$ 182,796	182,796	182,112	(684)
Total Revenues	<u>182,796</u>	<u>182,796</u>	<u>182,112</u>	<u>(684)</u>
EXPENDITURES				
Current:				
General Administration	1,828	1,828	-	1,828
Capital Outlay	411,557	411,557	9,788	401,769
Total Expenditures	<u>413,385</u>	<u>413,385</u>	<u>9,788</u>	<u>403,597</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(230,589)</u>	<u>(230,589)</u>	<u>172,324</u>	<u>402,913</u>
Other Financing Sources (Uses):				
Designated Cash	230,589	230,589	-	(230,589)
Total Other Financing Sources (Uses):	<u>230,589</u>	<u>230,589</u>	<u>-</u>	<u>(230,589)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>172,324</u>	<u>172,324</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>233,794</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>406,118</u>	<u>172,324</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 172,324	
Adjustments to Revenues			(2,366)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 169,958</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cien Aguas International School
Schedule of Budgetary Comparisons - Budgetary Basis
SB-9 Capital Improvements 31700
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Property Taxes	\$ 91,495	91,495	90,406	(1,089)
State Grant	-	8,155	11,056	2,901
Total Revenues	91,495	99,650	101,462	1,812
EXPENDITURES				
Current:				
General Administration	915	915	-	915
Capital Outlay	165,978	174,133	67,260	106,873
Total Expenditures	166,893	175,048	67,260	107,788
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	(75,398)	(75,398)	34,202	109,600
Other Financing Sources (Uses):				
Designated Cash	75,398	75,398	-	(75,398)
Total Other Financing Sources (Uses):	75,398	75,398	-	(75,398)
Net Changes in Fund Balances	-	-	34,202	34,202
Cash or Fund Balances - Beginning of Year	-	-	62,512	62,512
Cash or Fund Balances - End of Year	\$ -	-	96,714	96,714
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 34,202	
Adjustments to Revenues			1,988	
Adjustments to Expenditures			2,318	
NET CHANGE IN FUND BALANCE			\$ 38,508	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cien Aguas International School
Schedule of Collateral Pledged by Depository for Public Funds
June 30, 2015

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2015</u>
US Bank	FNMA POOL AD8206	31418WDL1	10/1/2025	\$ 133,041
US Bank	FNMA POOL MA3892 25DD	31418DKE1	9/1/2021	738,778
				<u>\$ 871,819</u>

Total Cash per Schedule of Cash Accounts:	\$ 992,967
Less: FDIC coverage:	(250,000)
Uninsured Public Funds:	<u>742,967</u>
Collateral Requirement:	371,484
Pledged Collateral Held by Pledging Financial Institution:	<u>871,819</u>
Balance Over Collateralized:	<u>\$ 500,335</u>
Balance Uninsured and Uncollateralized at June 30, 2015:	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Cien Aguas International School
 Schedule of Cash Accounts
 June 30, 2015

<u>Bank Account Type</u>	<u>US Bank</u>
Checking - Operational Account	\$ 930,357
Checking - Lunch Account	100
Checking - Walton Account	<u>62,510</u>
<i>Total on Deposit</i>	992,967
Reconciling Items	<u>(49,463)</u>
Reconciled Balance June 30, 2015	<u>943,504</u>
Less Agency Funds	<u>(1,201)</u>
<i>Total Cash</i>	<u><u>\$ 942,303</u></u>

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cien Aguas International School
Cash Reconciliation
June 30, 2015

	Operational 11000	Pupil Transportation 13000	Instructional Materials 14000	Food Services 21000
Cash, June 30, 2014	\$ 305,241	20,687	1,694	9,474
Add:				
2014-15 revenues	<u>2,587,312</u>	<u>120,347</u>	<u>24,972</u>	<u>76,741</u>
Total Cash Available	2,892,553	141,034	26,666	86,215
Less:				
2014-15 expenditures	(2,621,892)	(101,672)	(11,624)	(71,727)
Receivables/Payables	144,353	(10,343)	-	-
Outstanding Loans	<u>(29,785)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash June 30, 2015	<u>385,229</u>	<u>29,019</u>	<u>15,042</u>	<u>14,488</u>
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	-	-	-	-
Cash Per Books	<u>385,229</u>	<u>29,019</u>	<u>15,042</u>	<u>14,488</u>
Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	(169,122)	(14,510)	-	-
Fund Balance, Modified Accrual Basis	<u>\$ 216,107</u>	<u>14,509</u>	<u>15,042</u>	<u>14,488</u>

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

Non-Instruct. Fund 23000	Federal Projects Account 24000	Federal Direct Account 25000	Local Account 26000	State Account 27000	Public School Capital Outlay 31200
-	-	-	-	-	-
<u>2,321</u>	<u>101,093</u>	<u>3,527</u>	<u>1,495</u>	<u>40,889</u>	<u>229,754</u>
2,321	101,093	3,527	1,495	40,889	229,754
(1,120)	(82,291)	-	(796)	(50,000)	(229,754)
-	(46,476)	-	-	7,000	-
-	27,674	-	-	2,111	-
<u>1,201</u>	<u>-</u>	<u>3,527</u>	<u>699</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
<u>1,201</u>	<u>-</u>	<u>3,527</u>	<u>699</u>	<u>-</u>	<u>-</u>
(1,201)	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>3,527</u>	<u>699</u>	<u>-</u>	<u>-</u>

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STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cien Aguas International School
Cash Reconciliation - continued
June 30, 2015

	HB-33 Capital Improvements <u>31600</u>	SB-9 Capital Improvements <u>31700</u>	<u>Total</u>
Cash, June 30, 2014	\$ 231,429	56,345	624,870
Add:			
	<u>182,112</u>	<u>101,462</u>	<u>3,472,025</u>
Total Cash Available	413,541	157,807	4,096,895
Less:			
	(9,788)	(67,260)	(3,247,924)
	(1)	-	94,533
	<u>-</u>	<u>-</u>	<u>-</u>
Cash June 30, 2015	<u>403,752</u>	<u>90,547</u>	<u>943,504</u>
Fund Balance Reconciliations to GAAP Basis:			
Audit reclassifications to cash	-	-	-
Cash Per Books	<u>403,752</u>	<u>90,547</u>	<u>943,504</u>
Less: Activity Funds Per Schedule of Changes in Assets and Liabilities- Agency Fund:			<u>(1,201)</u>
			<u>\$ 942,303</u>
Fund Balance Reconciliation to GAAP Basis:			
Modified Accrual Adjustments	-	10,473	(174,360)
Fund Balance, Modified Accrual Basis	<u>\$ 403,752</u>	<u>101,020</u>	<u>769,144</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Coral Community Charter School
 Statement of Net Position
 June 30, 2015

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 178,265
Receivables	
Due from Other Governments	41,643
Prepaid Expenditures	7,262
Total Current Assets	<u>227,170</u>

Noncurrent Assets:

Capital Assets	
Furniture, Fixtures, and Equipment	67,289
Less: Accumulated Depreciation	<u>(26,078)</u>
Total Noncurrent Assets	<u>41,211</u>
Total Assets	<u>268,381</u>

Deferred Outflows-Pension related	<u>470,252</u>
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LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accounts Payable	3,927
Accrued Liabilities	8,046
Total Current Liabilities	<u>11,973</u>

Noncurrent Liabilities:

Net Pension Liability	868,975
Total Noncurrent Liabilities	<u>868,975</u>
Total Liabilities	<u>880,948</u>

Deferred Inflows-Pension related	<u>91,913</u>
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NET POSITION

Net Investment in Capital Assets	41,211
Restricted	14,069
Unrestricted (Deficit)	<u>(289,508)</u>
Total Net Position	<u>\$ (234,228)</u>

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Coral Community Charter School
Statement of Activities
For The Year Ended June 30, 2015

Functions/Programs	Program Revenues				Net (Expenses) Revenues and Changes in Net Position
	Expenses	Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 813,578	-	126,135	-	(687,443)
Support Services:					
Students	92,217	-	-	-	(92,217)
General Administration	16,542	-	-	-	(16,542)
School Administration	182,754	-	-	-	(182,754)
Central Services	181,710	-	-	-	(181,710)
Operation & Maintenance of Plant	147,682	-	-	-	(147,682)
Food Services	51,367	15,266	20,303	-	(15,798)
Facilities Materials, Supplies & Other Services	103,384	-	-	73,625	(29,759)
Total Governmental Activities	\$ 1,589,234	15,266	146,438	73,625	(1,353,905)
			General Revenues:		
			Property Taxes	\$ 25,798	
			State Equalization Guarantee	1,256,562	
			Total General Revenues	1,282,360	
			Change in Net Position		(71,545)
			Net Position- Beginning		232,182
			Restatement Recognized by GASB 68		(394,865)
			Net Position (Deficit), Beginning, as Restated		(162,683)
			Net position (Deficit), Ending	\$	(234,228)

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Coral Community Charter School
Balance Sheets - Governmental Funds
June 30, 2015

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101
ASSETS				
Cash and Cash Equivalents	\$ 170,076	1,628	4,292	-
Accounts Receivable				
Due from Government	-	-	-	6,178
Due from Other Funds	41,626	-	-	-
Prepaid Expenditures	-	-	-	-
Total Assets	\$ 211,702	1,628	4,292	6,178
LIABILITIES AND FUND BALANCES				
<i>Liabilities:</i>				
Accounts Payable	\$ 2,545	-	1,382	-
Accrued Expenditures	8,029	-	-	17
Due to Other Funds	-	-	-	6,161
Total Liabilities	10,574	-	1,382	6,178
<i>Fund Balances</i>				
Fund Balance:				
Nonspendable:				
Prepaid Expenditures	-	-	-	-
Restricted for:				
Instruction	-	1,628	-	-
Food Service Operations	-	-	2,910	-
Capital Improvements	-	-	-	-
Assigned to:				
Subsequent Years Expenditures and Other Programs	201,128	-	-	-
Total Fund Balance	201,128	1,628	2,910	-
Total Liabilities and Fund Balances	\$ 211,702	1,628	4,292	6,178

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

IDEA-B Entitlement 24106	Charter Schools 24146	Center for Teacher Excellence 27114	K-3 Plus Summer 27166	Public School Public Outlay 31200	SB 9 Capital Improvements 31700	Total
-	-	-	-	-	2,269	178,265
629	-	1,350	33,486	-	-	41,643
-	-	-	-	-	-	41,626
-	7,262	-	-	-	-	7,262
<u>629</u>	<u>7,262</u>	<u>1,350</u>	<u>33,486</u>	<u>-</u>	<u>2,269</u>	<u>268,796</u>
-	-	-	-	-	-	3,927
-	-	-	-	-	-	8,046
629	-	1,350	33,486	-	-	41,626
<u>629</u>	<u>-</u>	<u>1,350</u>	<u>33,486</u>	<u>-</u>	<u>-</u>	<u>53,599</u>
-	7,262	-	-	-	-	7,262
-	-	-	-	-	-	1,628
-	-	-	-	-	-	2,910
-	-	-	-	-	2,269	2,269
-	-	-	-	-	-	201,128
-	7,262	-	-	-	2,269	215,197
<u>629</u>	<u>7,262</u>	<u>1,350</u>	<u>33,486</u>	<u>-</u>	<u>2,269</u>	<u>268,796</u>

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STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Coral Community Charter School
Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
June 30, 2015

Fund Balance - Total Governmental Funds **\$ 215,197**

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

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

Capital Assets	67,289	
Accumulated Depreciation	(26,078)	
	41,211	41,211

Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds.		470,252
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Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds.		(91,913)
--	--	----------

The net pension liability is not due and payable in the current period and, therefore, is not reported in the funds.		(868,975)
		(868,975)

Net Position-Total Governmental Activities		\$ (234,228)
		(234,228)

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Coral Community Charter School
Statement of Revenues, Expenditures, and Changes In Fund Balances
Governmental Funds
For The Year Ended June 30, 2015

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101
REVENUES				
State Grant	\$ 1,256,562	10,245	-	-
Federal Grant	-	-	20,303	19,669
Miscellaneous Income	-	-	15,266	-
Total Revenues	<u>1,256,562</u>	<u>10,245</u>	<u>35,569</u>	<u>19,669</u>
EXPENDITURES				
Current:				
Instruction	674,181	16,128	-	19,669
Support Services:				
Students	23,924	-	-	-
General Administration	15,545	-	-	-
School Administration	163,964	-	-	-
Central Services	168,095	-	-	-
Operation & Maintenance of Plant	137,811	-	-	-
Food Services Operations	15,612	-	32,659	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>1,199,132</u>	<u>16,128</u>	<u>32,659</u>	<u>19,669</u>
Net Changes in Fund Balances	<u>57,430</u>	<u>(5,883)</u>	<u>2,910</u>	<u>-</u>
Fund Balances - Beginning of Year	<u>143,698</u>	<u>7,511</u>	<u>-</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ 201,128</u>	<u>1,628</u>	<u>2,910</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements

IDEA-B Entitlement 24106	Charter School 24146	Center for Teacher Excellence 27114	K-3 Plus Summer 27166	Public School Public Outlay 31200	SB 9 Capital Improvements 31700	Total
-	-	50,000	33,485	73,625	25,798	1,449,715
12,736	-	-	-	-	-	52,708
-	-	-	-	-	-	15,266
<u>12,736</u>	<u>-</u>	<u>50,000</u>	<u>33,485</u>	<u>73,625</u>	<u>25,798</u>	<u>1,517,689</u>
-	19,042	-	22,072	-	-	751,092
12,736	-	50,000	-	-	-	86,660
-	-	-	-	-	-	15,545
-	-	-	7,777	-	-	171,741
-	-	-	2,665	-	-	170,760
-	-	-	971	-	-	138,782
-	-	-	-	-	-	48,271
-	-	-	-	73,625	23,529	97,154
<u>12,736</u>	<u>19,042</u>	<u>50,000</u>	<u>33,485</u>	<u>73,625</u>	<u>23,529</u>	<u>1,480,005</u>
-	(19,042)	-	-	-	2,269	37,684
-	26,304	-	-	-	-	177,513
<u>-</u>	<u>7,262</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,269</u>	<u>215,197</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Coral Community Charter School
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2015

Net Change in Fund Balances-Total Governmental Funds **\$ 37,684**

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

Capital outlays to purchase or build capital assets are reported in
 governmental funds as expenditures. However, for governmental
 activities those costs are shown in the Statement of Net Position and
 allocated over their estimated useful lives as annual depreciation
 expenses in the Statement of Activities. This is the amount by which
 capital outlay exceeds depreciation for the period

Depreciation Expense	(13,458)
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Change in long-term liabilities	
Change in Net Pension Liability	(95,771)

Change in Net Position-Total Governmental Activities	\$ (71,545)
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The accompanying notes are an integral part of these financial statements

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Capital Assets. Capital assets purchased or acquired are 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. Coral Community Charter School's capitalization policy (i.e., the dollar value above which the asset acquisitions are added to the capital accounts) is \$5,000. Coral Community Charter School does not capitalize any interest with regard to its capital assets.

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

Furniture, Fixtures and Equipment	5 years
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Capital assets for Coral Community Charter School are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB's Fiduciary Net Position have been determined on the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Coral Community Charter School
Notes to the Financial Statements
June 30, 2015

NOTE 2. CAPITAL ASSETS

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

	<u>Balance</u> <u>June 30, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2015</u>
<i>Capital Assets being Depreciated:</i>				
Furniture, Fixtures and Equipment	\$ 67,289	-	-	67,289
<i>Total</i>	<u>67,289</u>	<u>-</u>	<u>-</u>	<u>67,289</u>
<i>Less: Accumulated Depreciation</i>				
Furniture, fixtures and equipment	(12,620)	(13,458)	-	(26,078)
<i>Total</i>	<u>(12,620)</u>	<u>(13,458)</u>	<u>-</u>	<u>(26,078)</u>
Capital Assets, Net	<u>\$ 54,669</u>	<u>(13,458)</u>	<u>-</u>	<u>41,211</u>

Depreciation expensed for the year ended June 30, 2015 was expensed to the following function:

Instruction	<u>\$ 13,458</u>
Total	<u>\$ 13,458</u>

NOTE 3. COMMITMENTS AND CONTINGENCIES

Coral Community Charter School leased their current location during the 2014-2015 school year with a third-party vendor and this lease concluded on June 30, 2015. For the 2015-2016 school year, the Coral Foundation For Excellence in Education (the "Foundation") purchased a building from a third-party in June 2015. The Foundation plans to lease this building to Coral Community Charter School starting with the 2015-2016 school year. The lease agreement between the Foundation and the Coral Community Charter School was entered into on June 29, 2015. The term of the lease is from August 2015-July 2016. Coral Community Charter School can renew the lease on an annual basis.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Coral Community Charter School
Notes to the Financial Statements
June 30, 2015

NOTE 3. COMMITMENTS AND CONTINGENCIES – (CONTINUED)

Coral Community Charter School will lease the facilities under an annual leases agreement with the Foundation. Rental expenses for the year ended June 30, 2015 were \$133,159. Coral Community Charter School’s minimum future payments on the new lease are as follows:

Year Ending June 30:	
2016	\$ 157,744
2017	15,000
Total	<u>\$ 172,744</u>

NOTE 4. RELATED PARTY TRANSACTIONS

Coral Community Charter School has an agreement with the Foundation to lease a building starting in the 2015-2016 school year. The Foundation’s activity during the year ending June 30, 2015 was not significant and has not been presented.

The father of the Coral Community Charter School business manager is employed by a vendor of the School who provided various services for the School. Coral Community Charter School paid this vendor \$28,235 for services provided by the father of the business manager.

NOTE 5. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to Coral Community Charter School and does not include general disclosure information pertaining to the New Mexico Educational Employees’ Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions. The contribution requirements of defined benefit plan members and Coral Community Charter School are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year ended June 30, 2014, employers contributed 13.15% of employees’ gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.10% of their gross annual salary.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Coral Community Charter School
Notes to the Financial Statements
June 30, 2015

NOTE 5. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD – (CONTINUED)

For fiscal year ended June 30, 2015 employers contributed 13.90% and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 contributed an increased amount of 10.70% of their gross annual salary. Contributions to the pension plan from Coral Community Charter School was \$94,736 for the year ended June 30, 2015.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2013. The total ERB pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2014, using generally accepted actuarial principles. Therefore, the employer’s portion was established as of the measurement date June 30, 2014. At June 30, 2015, Coral Community Charter School reported a liability of \$868,975 for its proportionate share of the net pension liability. Coral Community Charter School proportion of the net pension liability is based on the employer contributing entity’s percentage of total employer contributions for the fiscal year ended June 30, 2014. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2014, Coral Community Charter School’s proportion was 0.01523%, which was a decrease of 0.00717% from its proportion measured as of June 30, 2013.

For the year ended June 30, 2015, Coral Community Charter School recognized pension expense of \$190,507. At June 30, 2015, Coral Community Charter School reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 12,941
Net difference between projected and actual earnings on pension plan investments	-	78,972
Changes in proportion and differences Coral Community Charter School contributions and proportionate share of contributions	375,516	-
Coral Community Charter School contributions subsequent to the measurement date	94,736	-
Total	\$ 470,252	91,913

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Coral Community Charter School
 Notes to the Financial Statements
 June 30, 2015

NOTE 5. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD – (CONTINUED)

Coral Community Charter School reported \$94,736 as deferred outflows of resources related to pensions resulting from Coral Community Charter School contributions subsequent to the measurement date June 30, 2014 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2016	\$ (106,145)
2017	(106,145)
2018	(91,038)
2019	<u>19,725</u>
Total	<u>\$ (283,603)</u>

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

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
	<hr/>	<hr/>	<hr/>
Coral Community Charter School’s proportionate share of the net pension liability	<u>\$ 1,182,342</u>	<u>868,975</u>	<u>607,063</u>

Payables to the pension plan. At June 30, 2015, Coral Community Charter School did not owe for ERB for fiscal year 2015 contributions.

NOTE 6. RESTATEMENT

As a result of implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pension*, net position at June 30, 2014 was restated in the amount of \$(394,865).

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Coral Community Charter School
Notes to the Financial Statements
June 30, 2015**

NOTE 7. OVERSPENT BUDGET LINE ITEMS

As stated in finding 2015-004, Coral Community Charter School had expenditures in excess of the budget in the following fund:

Operational 11000 (Food Services Operations)	\$ 2,707
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NOTE 8. SUBSEQUENT EVENT

A new building, purchased by the Foundation in June 2015, will be financed for approximately \$1.7 million and was deeded to the Foundation in August 2015.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
CORAL COMMUNITY CHARTER SCHOOL
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2015

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	2.66%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 869	-	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 420	-	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	207.06%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30, 2014

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
CORAL COMMUNITY CHARTER SCHOOL
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2015

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 55	-	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	55	-	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ -	-	-	-	-	-	-	-	-	-

Year	Total Amount Deferred	Amortization Years	Increase (Decrease) in Pension Expense over Recognition Periods											
			2015	2016	2017	2018	2019	2020	2021	2022	2023	2024		
2014	\$ (284)	5	\$ (106)	(106)	(106)	(91)	19	-	-	-	-	-	-	-
2015	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2016	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2017	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2018	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2019	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2020	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2021	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2022	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2023	-	5	-	-	-	-	-	-	-	-	-	-	-	-
	\$ (284)		\$ (106)	(106)	(106)	(91)	19	-	-	-	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Coral Community Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 1,223,157	1,253,123	1,256,562	3,439
Total Revenues	<u>1,223,157</u>	<u>1,253,123</u>	<u>1,256,562</u>	<u>3,439</u>
EXPENDITURES				
Current:				
Instruction	697,401	698,628	674,181	24,447
Support Services:				
Students	15,000	24,376	23,924	452
General Administration	33,000	30,840	15,792	15,048
School Administration	140,628	173,716	163,964	9,752
Central Services	166,831	170,858	167,667	3,191
Operation & Maintenance of Plant	307,643	285,333	137,132	148,201
Food Services Operations	6,187	12,905	15,612	(2,707)
Total Expenditures	<u>1,366,690</u>	<u>1,396,656</u>	<u>1,198,272</u>	<u>198,384</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(143,533)</u>	<u>(143,533)</u>	<u>58,290</u>	<u>201,823</u>
Other Financing Sources (Uses):				
Designated Cash	143,533	143,533	-	(143,533)
Total Other Financing Sources (Uses):	<u>143,533</u>	<u>143,533</u>	<u>-</u>	<u>(143,533)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>58,290</u>	<u>58,290</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>143,698</u>	<u>143,698</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>201,988</u>	<u>201,988</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 58,290	
Adjustments to Revenues			-	
Adjustments to Expenditures			(860)	
NET CHANGE IN FUND BALANCE			<u>\$ 57,430</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Coral Community Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	10,245	10,245	-
Total Revenues	-	10,245	10,245	-
EXPENDITURES				
Current:				
Instruction	-	17,756	16,128	1,628
Total Expenditures	-	17,756	16,128	1,628
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	(7,511)	(5,883)	1,628
Other Financing Sources (Uses):				
Designated Cash	-	7,511	-	(7,511)
Total Other Financing Sources (Uses):	-	7,511	-	(7,511)
Net Changes in Fund Balances	-	-	(5,883)	(5,883)
Cash or Fund Balances - Beginning of Year	-	-	7,511	7,511
Cash or Fund Balances - End of Year	\$ -	-	1,628	1,628
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (5,883)	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ (5,883)	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Coral Community Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Food Services 21000
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$	16,349	20,303	3,954
Miscellaneous	-	14,927	15,265	338
Total Revenues	-	31,276	35,568	4,292
EXPENDITURES				
Current:				
Food Services Operations	-	31,276	31,276	-
Total Expenditures	-	31,276	31,276	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	4,292	4,292
Net Changes in Fund Balances	-	-	4,292	4,292
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	4,292	4,292
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 4,292	
Adjustments to Revenues			1	
Adjustments to Expenditures			(1,383)	
NET CHANGE IN FUND BALANCE			\$ 2,910	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Coral Community Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Title I IASA 24101
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 14,296	40,243	17,803	(22,440)
Total Revenues	<u>14,296</u>	<u>40,243</u>	<u>17,803</u>	<u>(22,440)</u>
EXPENDITURES				
Current:				
Instruction	14,296	40,243	19,669	20,574
Total Expenditures	<u>14,296</u>	<u>40,243</u>	<u>19,669</u>	<u>20,574</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(1,866)	(1,866)
Net Changes in Fund Balances	-	-	(1,866)	(1,866)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(1,866)</u>	<u>(1,866)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (1,866)	
Adjustments to Revenues			1,866	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Coral Community Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Entitlement 24106
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ -	16,914	17,366	452
Total Revenues	-	16,914	17,366	452
EXPENDITURES				
Current:				
Support Services:				
Students	-	16,914	12,736	4,178
Total Expenditures	-	16,914	12,736	4,178
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	4,630	4,630
Net Changes in Fund Balances	-	-	4,630	4,630
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	4,630	4,630
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 4,630	
Adjustments to Revenues			(4,630)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Coral Community Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Charter Schools 24146
 For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ -	-	24,101	24,101
Total Revenues	-	-	24,101	24,101
EXPENDITURES	-	-	-	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	24,101	24,101
Net Changes in Fund Balances	-	-	24,101	24,101
Cash or Fund Balances - Beginning of Year	-	-	26,304	26,304
Cash or Fund Balances - End of Year	\$ -	-	50,405	50,405
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 24,101	
Adjustments to Revenues			(24,101)	
Adjustments to Expenditures			(19,042)	
NET CHANGE IN FUND BALANCE			\$ (19,042)	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Coral Community Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Center for Teacher Excellence PED 27114
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 50,000	50,000	50,650	650
Total Revenues	<u>50,000</u>	<u>50,000</u>	<u>50,650</u>	<u>650</u>
EXPENDITURES				
Current:				
Support Services:				
Students	50,000	50,000	50,000	-
Total Expenditures	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	-	-	650	650
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>650</u>	<u>650</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>650</u>	<u>650</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ 650	
Adjustments to Revenues			(650)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Coral Community Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
K-3 Plus Summer 27166
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	36,702	-	(36,702)
Total Revenues	-	36,702	-	(36,702)
EXPENDITURES				
Current:				
Instruction	-	23,369	22,072	1,297
Support Services:				
School Administration	-	9,617	7,777	1,840
Central Services	-	2,740	2,665	75
Operation & Maintenance of Plant	-	976	971	5
Total Expenditures	-	36,702	33,485	3,217
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	-	-	(33,485)	(33,485)
Net Changes in Fund Balances	-	-	(33,485)	(33,485)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	(33,485)	(33,485)
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ (33,485)	
Adjustments to Revenues			33,485	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Coral Community Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Public School Capital Outlay 31200
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	73,625	73,625	-
Total Revenues	<u>-</u>	<u>73,625</u>	<u>73,625</u>	<u>-</u>
EXPENDITURES				
Capital Outlay	-	73,625	73,625	-
Total Expenditures	<u>-</u>	<u>73,625</u>	<u>73,625</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Coral Community Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
SB-9 Capital Improvements 31700
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 27,597	27,597	25,798	(1,799)
Total Revenues	<u>27,597</u>	<u>27,597</u>	<u>25,798</u>	<u>(1,799)</u>
EXPENDITURES				
Capital Outlay	27,597	27,597	23,529	4,068
Total Expenditures	<u>27,597</u>	<u>27,597</u>	<u>23,529</u>	<u>4,068</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	-	-	2,269	2,269
Net Changes in Fund Balances	-	-	2,269	2,269
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>2,269</u>	<u>2,269</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ 2,269	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 2,269</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Coral Community Charter School
 Schedule of Collateral Pledged by Depository for Public Funds
 June 30, 2015

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2015</u>
				\$ -
				\$ -
Total Cash per Schedule of Cash Accounts:				\$ 221,291
Less: FDIC coverage:				(221,291)
Uninsured Public Funds:				-
Collateral Requirement:				-
Pledged Collateral Held by Pledging Financial Institution:				-
Balance Over Collateralized:				\$ -
Balance Uninsured and Uncollateralized at June 30, 2015:				\$ -

The accompanying notes are an integral part of these financial statements

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STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Coral Community Charter School
 Schedule of Cash Accounts
 June 30, 2015

<u>Bank Account Type</u>	<u>Wells Fargo</u>
Checking - Operational Account	\$ 221,291
<i>Total on Deposit</i>	221,291
Reconciling Items	<u>(43,026)</u>
Reconciled Balance June 30, 2015	<u>178,265</u>
<i>Total Cash</i>	<u><u>\$ 178,265</u></u>

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Coral Community Charter School
Cash Reconciliation
June 30, 2015

	Operational <u>11000</u>	Instructional Materials <u>14000</u>	Food Services <u>21000</u>	Federal Projects Account <u>24000</u>
Cash, June 30, 2014	\$ 115,131	7,511	-	-
Add:				
2014-15 revenues	<u>1,256,562</u>	<u>10,245</u>	<u>35,568</u>	<u>59,270</u>
Total Cash Available	1,371,693	17,756	35,568	59,270
Less:				
2014-15 expenditures	(1,198,272)	(16,128)	(31,276)	(32,405)
Receivables/Payables	(9,794)	-	-	(19,580)
Outstanding Loans	<u>6,449</u>	<u>-</u>	<u>-</u>	<u>26,387</u>
Cash June 30, 2015	<u>170,076</u>	<u>1,628</u>	<u>4,292</u>	<u>33,672</u>
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	-	-	-	<u>(33,672)</u>
Cash Per Books	<u>170,076</u>	<u>1,628</u>	<u>4,292</u>	<u>-</u>
Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	<u>31,052</u>	<u>-</u>	<u>(1,382)</u>	<u>7,262</u>
Fund Balance (Deficit), Modified Accrual Basis	<u>\$ 201,128</u>	<u>1,628</u>	<u>2,910</u>	<u>7,262</u>

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

State Account 27000	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Total
-	-	-	122,642
50,650	73,625	25,798	1,511,718
50,650	73,625	25,798	1,634,360
(83,486)	(73,625)	(23,529)	(1,458,721)
67,672	-	-	38,298
(32,836)	-	-	-
2,000	-	2,269	213,937
(2,000)	-	-	(35,672)
-	-	2,269	178,265
			-
			-
			<u>\$ 178,265</u>
-	-	-	36,932
-	-	2,269	215,197
			-
Balance Sheets - Governmental Funds:			<u>\$ 215,197</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory School
Statement of Net Position
June 30, 2015

ASSETS

Current Assets:

Cash and Cash Equivalents	\$ 1,688,895
Receivables	
Due from Other Governments	250,594
Due from Agency Funds	70
Prepaid Expenditures	13,298
Total Current Assets	<u>1,952,857</u>

Noncurrent Assets:

Capital Assets	
Land and Land Improvements	3,172,430
Building and Improvements	5,770,204
Furniture, Fixtures, and Equipment	34,782
Less: Accumulated Depreciation	(295,061)
Total Noncurrent Assets	<u>8,682,355</u>
Website	894
Total Assets	<u>10,636,106</u>

Deferred outflows - pension related 490,588

LIABILITIES

Current Liabilities:

Accounts Payable	19,238
Accrued Liabilities	327,424
Current Portion of Long-Term Debt	160,000
Total Current Liabilities	<u>506,662</u>

Noncurrent Liabilities:

Long-Term Debt	10,450,000
Net Pension Liability	4,277,577
Total Noncurrent Liabilities	<u>14,727,577</u>
Total Liabilities	<u>15,234,239</u>

Deferred inflows - pension related 452,588

NET POSITION

Investment in Capital Assets	(1,927,645)
Restricted	248,839
Unrestricted	(2,881,327)
Total Net Position	<u>\$ (4,560,133)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory School
Statement of Activities
For The Year Ended June 30, 2015

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 2,730,593	40,455	159,097	-	(2,531,041)
Support Services:					
Students	218,163	-	-	-	(218,163)
Instruction	52,905	-	-	-	(52,905)
General Administration	49,458	-	-	-	(49,458)
School Administration	339,091	-	-	-	(339,091)
Central Services	170,896	-	-	-	(170,896)
Operation & Maintenance of Plant	619,042	-	-	-	(619,042)
Other Support Services	68,191	-	-	-	(68,191)
Student Transportation	277,439	-	281,147	-	3,708
Facilities Materials, Supplies & Other Services	1,413,197	-	-	597,874	(815,323)
Total Governmental Activities	\$ 5,938,975	40,455	440,244	597,874	(4,860,402)
General Revenues:					
					\$ 178,949
Property Taxes					\$ 178,949
State Equalization Guarantee					3,906,445
Interest income					126
Miscellaneous					863,926
Total General Revenues					<u>4,949,446</u>
Change in Net Position					<u>89,044</u>
					(446,783)
Net Position- Beginning					(446,783)
Resatement					<u>(4,202,394)</u>
Net Position- Beginning, restated					(4,649,177)
Net position, Ending					<u>\$ (4,560,133)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory School
Balance Sheets - Governmental Funds
June 30, 2015

	Operational 11000	Student Transportation 13000	Instructional Materials 14000	Title I IASA 24101
ASSETS				
Cash and Cash Equivalents	\$ 229,501	86,855	68,091	-
Accounts Receivable				
Due from Governments	69,588	-	-	-
Due from Other Funds	122,473	-	-	-
Prepaid Expenditures	13,298	-	-	-
Total Assets	\$ 434,860	86,855	68,091	-
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 11,263	-	-	-
Accrued Expenditures	325,413	-	-	-
Due to Other Funds	-	-	-	-
Total Liabilities	336,676	-	-	-
Fund Balances				
Fund Balance:				
Nonspendable:				
Prepaid Expenditures	13,298	-	-	-
Restricted for:				
Instruction	-	-	68,091	-
Student Transportation	-	86,855	-	-
Capital Improvements	-	-	-	-
Unassigned	84,886	-	-	-
Total Fund Balance	98,184	86,855	68,091	-
Total Liabilities and Fund Balances	\$ 434,860	86,855	68,091	-

The accompanying notes are an integral part of these financial statements

IDEA-B Entitlement 24106	Teacher Principal Training 24154	USHHS/CDC School Health 24186	2012 SB-66 Student Library 27107	Technology for Education 27117	GO Bonds Instructional Materials 27171
-	-	-	-	-	-
2,784	5,083	4,822	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>2,784</u>	<u>5,083</u>	<u>4,822</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
1,371	-	-	-	-	-
<u>1,413</u>	<u>5,083</u>	<u>4,822</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>2,784</u>	<u>5,083</u>	<u>4,822</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>2,784</u>	<u>5,083</u>	<u>4,822</u>	<u>-</u>	<u>-</u>	<u>-</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory School
Balance Sheets - Governmental Funds (Continued)
June 30, 2015

	Next Generation Assessments 27185	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Foundation	Total
ASSETS					
Cash and Cash Equivalents	\$ -	-	23,363	1,281,085	1,688,895
Accounts Receivable					
Due from Government	-	111,085	57,232	-	250,594
Due from Other Funds	-	-	-	-	122,473
Prepaid Expenditures	-	-	-	-	13,298
Total Assets	<u>\$ -</u>	<u>111,085</u>	<u>80,595</u>	<u>1,281,085</u>	<u>2,075,260</u>
LIABILITIES AND FUND BALANCES					
<i>Liabilities:</i>					
Accounts Payable	\$ -	-	-	7,975	19,238
Accrued Expenditures	-	-	-	640	327,424
Due to Other Funds	-	111,085	-	-	122,403
Total Liabilities	<u>-</u>	<u>111,085</u>	<u>-</u>	<u>8,615</u>	<u>469,065</u>
<i>Fund Balances</i>					
Fund Balance:					
Nonspendable:					
Prepaid Expenditures	-	-	-	-	13,298
Restricted for:					
Instruction	-	-	-	-	68,091
Student Transportation	-	-	-	-	86,855
Capital Improvements	-	-	80,595	-	80,595
Unassigned	-	-	-	1,272,470	1,357,356
Total Fund Balance	<u>-</u>	<u>-</u>	<u>80,595</u>	<u>1,272,470</u>	<u>1,606,195</u>
Total Liabilities and Fund Balances	<u>\$ -</u>	<u>111,085</u>	<u>80,595</u>	<u>1,281,085</u>	<u>2,075,260</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Cottonwood Classical Preparatory School
 Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
 June 30, 2015

Fund Balances - Total Governmental Funds **\$ 1,606,195**

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

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

Other Assets	894	
Capital Assets	8,977,416	
Accumulated Depreciation	<u>(295,061)</u>	8,683,249

Defined benefit pension plan deferred outflows are not financial resources and, therefore, and not reported in the funds		490,588
--	--	---------

Long-term liabilities are not due in the current period and, therefore, are not reported in the funds.

Long-Term Debt	(10,610,000)	
Net Pension Liability	<u>(4,277,577)</u>	(14,887,577)

Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds		<u>(452,588)</u>
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Net Position-Total Governmental Activities **\$ (4,560,133)**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory School
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit)
Governmental Funds
For The Year Ended June 30, 2015

	Operational 11000	Student Transportation 13000	Instructional Materials 14000	Title I IASA 24101
REVENUES				
Property Taxes	\$ -	-	-	-
State Grant	3,906,445	281,147	47,241	-
Federal Grant	-	-	-	-
Charges for Services	40,455	-	-	-
Miscellaneous Income	69,659	-	-	-
Total Revenues	<u>4,016,559</u>	<u>281,147</u>	<u>47,241</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	2,608,189	-	43,795	-
Support Services:				
Students	207,165	-	-	-
Instruction	49,363	-	-	-
General Administration	29,909	-	-	-
School Administration	301,343	-	-	-
Central Services	169,560	-	-	-
Operation & Maintenance of Plant	609,569	-	-	-
Student Transportation	-	277,439	-	-
Other Support Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
Debt service				
Interest	-	-	-	-
Total Expenditures	<u>3,975,098</u>	<u>277,439</u>	<u>43,795</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>41,461</u>	<u>3,708</u>	<u>3,446</u>	<u>-</u>
Net Changes in Fund Balances	<u>41,461</u>	<u>3,708</u>	<u>3,446</u>	<u>-</u>
Fund Balances (Deficit) - Beginning of Year	<u>56,723</u>	<u>83,147</u>	<u>64,645</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ 98,184</u>	<u>86,855</u>	<u>68,091</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements

IDEA-B Entitlement 24106	Teacher Principal Training 24154	USHHS/CDC School Health 24186	2012 SB-66 Student Library 27107	Technology for Education 27117	GO Bonds Instructional Materials 27171
-	-	-	-	-	-
-	-	-	3,542	-	-
91,897	11,595	4,822	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>91,897</u>	<u>11,595</u>	<u>4,822</u>	<u>3,542</u>	<u>-</u>	<u>-</u>
32,538	11,595	4,822	-	281	-
9,609	-	-	-	-	-
-	-	-	3,542	-	-
-	-	-	-	-	-
33,800	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>75,947</u>	<u>11,595</u>	<u>4,822</u>	<u>3,542</u>	<u>281</u>	<u>-</u>
15,950	-	-	-	(281)	-
15,950	-	-	-	(281)	-
(15,950)	-	-	-	281	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory School
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit) - Continued
Governmental Funds
For The Year Ended June 30, 2015

	Next Generation Assessments 27185	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Foundation	Total
REVENUES					
Property Taxes	\$ -	-	178,949	-	178,949
State Grant	-	542,291	55,583	-	4,836,249
Federal Grant	-	-	-	-	108,314
Charges for Services	-	-	-	-	40,455
Miscellaneous Income	-	-	-	807,096	876,755
Total Revenues	<u>-</u>	<u>542,291</u>	<u>234,532</u>	<u>807,096</u>	<u>6,040,722</u>
EXPENDITURES					
Current:					
Instruction	-	-	-	-	2,701,220
Support Services:					
Students	-	-	-	-	216,774
Instruction	-	-	-	-	52,905
General Administration	-	-	-	19,549	49,458
School Administration	-	-	-	-	335,143
Central Services	-	-	-	-	169,560
Operation & Maintenance of Plant	-	-	-	8,336	617,905
Student Transportation	-	-	-	-	277,439
Other Support Services Operations	-	-	-	68,191	68,191
Capital Outlay	-	444,340	179,360	-	623,700
Debt service					
Interest	-	-	-	640,375	640,375
Total Expenditures	<u>-</u>	<u>444,340</u>	<u>179,360</u>	<u>736,451</u>	<u>5,752,670</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>97,951</u>	<u>55,172</u>	<u>70,645</u>	<u>288,052</u>
Net Changes in Fund Balances	<u>-</u>	<u>97,951</u>	<u>55,172</u>	<u>70,645</u>	<u>288,052</u>
Fund Balances (Deficit) - Beginning of Year	<u>-</u>	<u>(97,951)</u>	<u>25,423</u>	<u>1,201,825</u>	<u>1,318,143</u>
Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>80,595</u>	<u>1,272,470</u>	<u>1,606,195</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory School
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances (Deficit) of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2015

Net Change in Fund Balances-Total Governmental Funds **\$ 288,052**

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

Change in net pension liability (37,183)

Expenditures to purchase or build capital assets, pay for interest on
 debt, and amortization on long term assets are reported in
 governmental funds as expenditures. However, for governmental
 activities those costs are shown in the Statement of Net Position and
 allocated over their estimated useful lives as annual depreciation
 expenses in the Statement of Activities. This is the amount by which
 capital outlay exceeds depreciation for the period

Loss on Disposal of Assets Held for Sale	(12,703)	
Depreciation Expense	<u>(149,122)</u>	
		<u>(161,825)</u>

Change in Net Position-Total Governmental Activities **\$ 89,044**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Cottonwood Classical Preparatory School
 Statement of Fiduciary Assets and Liabilities - Agency Funds
 June 30, 2015

	<u>Funds</u>
ASSETS	
Cash in Bank	\$ -
Total Assets	<u>\$ -</u>
LIABILITIES	
Deposits Held for Others	\$ (70)
Due to Governmental Funds	70
Total Liabilities	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Cottonwood Classical Preparatory School
 Schedule of Changes in Assets and Liabilities - Agency Funds
 For The Year Ended June 30, 2015

	<u>Balance</u> <u>July 1, 2014</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2015</u>
ASSETS				
Cash in Bank	\$ 16,657	37,821	(54,478)	-
Total Assets	<u>\$ 16,657</u>	<u>37,821</u>	<u>(54,478)</u>	<u>-</u>
LIABILITIES				
Deposits Held for Others	\$ 16,657	37,751	(54,478)	(70)
Due to Governmental Funds	-	70	-	70
Total Liabilities	<u>\$ 16,657</u>	<u>37,821</u>	<u>(54,478)</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Cottonwood Classical Preparatory School
 Notes to the Financial Statements
 June 30, 2015

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Capital Assets. Capital assets purchased or acquired are 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. Cottonwood Classical Preparatory School’s capitalization policy (i.e., the dollar value above which the asset acquisitions are added to the capital accounts) is \$5,000. Cottonwood Classical Preparatory School (CCPS) does not capitalize any interest with regard to its capital assets.

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

Furniture, Fixtures and Equipment	5-10 years
Land and Land Improvements	15 years
Buildings and Improvements	5-40 years

Capital assets for CCPS are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB’s Fiduciary Net Position have been determined on the economic resources measurement focus and accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 2. RECEIVABLES

Receivables as of June 30, 2015 are as follows:

Due from Other Governments:		
Operational	\$	69,588
IDEA-B Entitlement		2,784
Teacher Principal Training		5,083
USHHS / CDC School Health		4,822
Public School Capital Outlay		111,085
SB-9 Capital Improvements		<u>57,232</u>
Total Due from Other Governments	\$	<u>250,594</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory School
Notes to the Financial Statements
June 30, 2015

NOTE 3. CAPITAL ASSETS

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

	<u>Balance</u> <u>June 30, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2015</u>
<i>Capital Assets not being</i>				
<i>Depreciated:</i>				
Land	\$ 3,167,743	-	-	3,167,743
Land Improvements	4,687	-	-	4,687
<i>Total</i>	<u>3,172,430</u>	-	-	<u>3,172,430</u>
<i>Capital Assets being Depreciated:</i>				
Furniture, Fixtures and Equipment	34,782	-	-	34,782
Building and Improvements	5,770,204	-	-	5,770,204
<i>Total</i>	<u>5,804,986</u>	-	-	<u>5,804,986</u>
<i>Less: Accumulated Depreciation</i>				
Furniture, fixtures and equipment	(4,305)	(4,197)	-	(8,502)
Building and improvements	(141,634)	(144,925)	-	(286,559)
<i>Total</i>	<u>(145,939)</u>	<u>(149,122)</u>	-	<u>(295,061)</u>
Capital Assets, Net	<u>\$ 8,831,477</u>	<u>(149,122)</u>	-	<u>8,682,355</u>

Depreciation expensed for the year ended June 30, 2015 was expensed to the following functions:

Facilities, Materials, Supplies & Other Services	<u>\$ 149,122</u>
Total	<u>\$ 149,122</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory School
Notes to the Financial Statements
June 30, 2015

NOTE 4. COMMITMENTS AND LIABILITIES

Revenue Bonds are secured by pledges of certain revenues and assets. On December 1, 2012, Cottonwood Classical Preparatory School, pursuant to a lease purchase agreement with Cottonwood Classical Foundation, Inc. and indenture of trust, issued its Educational Facility Revenue Bonds Series 2012A in the aggregate principal amount of \$10,250,000 and \$360,000 Taxable Educational Facility Revenue Bonds Series 2012B. Bond proceeds were used to acquire and renovate a 47,161 square foot charter school facility that will house classrooms from sixth through twelfth grade. CCPS pledges, transfers, and grants a security interest in and assigns to Wells Fargo Bank, N.A. to secure the payment of lease payments in accordance with the terms and provisions of the lease, all funds, monies, grants, or other distributions received by the School from the State of New Mexico with respect to Equalization Guarantee funding, State Leasing or account established by CCPS, but specifically excluding State funding under the Charter School Act which is specifically dedicated to the payment of expenses of the Charter School which do not include payment of amounts due under the Lease and all such operating expenses of CCPS required under State or federal laws to provide required educational program expenditures.

The total bond payable as of June 30, 2015 is as follows:

Series 2012A Education Facility Revenue Bond; Interest rate 5.25% due in quarterly installments; Maturing December 1, 2022	\$ 1,200,000
Series 2012A Education Facility Revenue Bond; Interest rate 6.00% due in quarterly installments; Maturing December 1, 2032	3,220,000
Series 2012A Education Facility Revenue Bond; Interest rate 6.25% due in quarterly installments; Maturing December 1, 2042	5,830,000
Series 2012B Taxable Education Facility Revenue Bond; Interest rate 5.5% due in quarterly installments; Maturing December 1, 2017	<u>360,000</u>
Total Bond Payable	<u>\$ 10,610,000</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory School
Notes to the Financial Statements
June 30, 2015

NOTE 4. COMMITMENTS AND LIABILITIES (Continued)

The aggregate amounts of principal maturities and interest of bonds payable are as follows:

	Principal	Interest	Total
2016	\$ 160,000	640,375	800,375
2017	170,000	631,575	801,575
2018	180,000	622,225	802,225
2019	190,000	612,700	802,700
2020	200,000	602,725	802,725
2021-2025	1,165,000	2,843,525	4,008,525
2026-2030	1,545,000	2,461,475	4,006,475
2031-2035	2,070,000	1,938,088	4,008,088
2036-2040	2,795,000	1,212,187	4,007,187
2041-2043	2,135,000	272,188	2,407,188
Total	\$ 10,610,000	11,837,063	22,447,063

NOTE 5. DEFICIT FUND BALANCE

There were no funds that had a deficit fund balance at June 30, 2015.

NOTE 6. OVERSPENT BUDGET LINE ITEMS

As stated in the finding 2015-004, CCPS had expended in excess of the budget.

Student Transportation Fund

Student Transportation 13000 \$ (42,535)

NOTE 7. RELATED PARTY TRANSACTIONS

Cottonwood Classical Preparatory School has created a Foundation which donates various funds to the school and entered revenue bonds to construct a building for the school. The Foundation is considered a component unit of the School and is presented as a blended component unit.

The Director of Operations' son is employed at the school.

The Business Manager of the school is also the CEO of the Vigil Group.

NOTE 8. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to Cottonwood Classical Preparatory School and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions. The contribution requirements of defined benefit plan members and Cottonwood Classical Preparatory School are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year ended June 30, 2014 employers contributed 13.15% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.10% of their gross annual salary. For fiscal year ended June 30, 2015 employers contributed 13.90%, and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 contributed an increased amount of 10.70% of their gross annual salary. Contributions to the pension plan from Cottonwood Classical Preparatory School were \$318,674 for the year ended June 30, 2015.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2013. The total ERB pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2014, using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date June 30, 2014. At June 30, 2015, Cottonwood Classical Preparatory School reported a liability of \$4,277,577 for its proportionate share of the net pension liability. Cottonwood Classical Preparatory School's proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2014. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2014, Cottonwood Classical Preparatory School's proportion was 0.07497% percent, which was an increase of 0.00369% from its proportion measured as of June 30, 2013.

For the year ended June 30, 2015, Cottonwood Classical Preparatory School recognized pension expense of \$355,857. At the June 30, 2015, Cottonwood Classical Preparatory School reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory School
Notes to the Financial Statements
June 30, 2015

NOTE 8. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (Continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	63,723
Changes in assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	388,865
Changes in proportion and differences between Cottonwood Classical Preparatory School contributions and proportionate share of contributions	171,914	-
Cottonwood Classical Preparatory School contributions subsequent to the measurement date	<u>318,674</u>	<u>-</u>
Total	<u>\$ 490,588</u>	<u>452,588</u>

\$318,674 reported as deferred outflows of resources related to pensions resulting from Cottonwood Classical Preparatory School contributions subsequent to the measurement date June 30, 2014 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30

2016	\$ 59,646
2017	59,646
2018	64,154
2019	<u>97,228</u>
Total	<u>\$ 280,674</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Cottonwood Classical Preparatory School
 Notes to the Financial Statements
 June 30, 2015

NOTE 8. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (Continued)

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

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
Cottonwood Classical Preparatory School's proportionate share of the net pension liability	<u>\$ 5,820,140</u>	<u>4,277,577</u>	<u>2,989,227</u>

Payables to the pension plan. Cottonwood Classical Preparatory School accrued \$80,524 in ERB benefits at June 30, 2015 for teachers with ten month contracts.

NOTE 9. RESTATEMENT

As a result of implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, Net Position at June 30, 2014 was restated in the amount of \$(4,202,394).

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
 Cottonwood Classical Preparatory School
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2015

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
 (Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	2.66%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 4,278	-	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 2,067	-	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	206.97%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30, 2014

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Cottonwood Classical Preparatory School
 SCHEDULE OF SCHOOL CONTRIBUTIONS
 June 30, 2015

New Mexico Educational Retirement Board Pension Plan
 Schedule of Ten Year Tracking Data
 (Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 272	-	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	272	-	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ -	-	-	-	-	-	-	-	-	-

Increase (Decrease) in Pension Expense over Recognition Periods

Year	Total Amount Deferred	Amortization Years	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
2014	\$ 281	5		\$ 60	60	64	97	-	-	-	-	-
2015	-	5			-	-	-	-	-	-	-	-
2016	-	5										
2017	-	5										
2018	-	5										
2019	-	5										
2020	-	5										
2021	-	5										
2022	-	5										
2023	-	5										
	\$ 281			\$ 60	60	64	97	-	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory School
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 3,789,514	3,906,446	3,906,445	(1)
Charges for Services	-	31,350	40,455	9,105
Miscellaneous Income	-	69,892	71	(69,821)
Total Revenues	3,789,514	4,007,688	3,946,971	(60,717)
EXPENDITURES				
Current:				
Instruction	2,479,519	2,668,120	2,608,189	59,931
Support Services:				
Students	121,762	210,209	207,165	3,044
Instruction	32,250	50,085	49,363	722
General Administration	23,500	30,279	29,909	370
School Administration	288,024	303,978	301,343	2,635
Central Services	155,075	166,089	164,880	1,209
Operation & Maintenance of Plant	689,384	628,974	602,986	25,988
Total Expenditures	3,789,514	4,057,734	3,963,835	93,899
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	(50,046)	(16,864)	33,182
Net Changes in Fund Balances	-	(50,046)	(16,864)	33,182
Cash or Fund Balances - Beginning of Year	-	-	43,425	43,425
Cash or Fund Balances - End of Year	\$ -	(50,046)	26,561	76,607
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (16,864)	
Adjustments to Revenues			69,588	
Adjustments to Expenditures			(11,263)	
NET CHANGE IN FUND BALANCE			\$ 41,461	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory School
Schedule of Budgetary Comparisons - Budgetary Basis
Student Transportation 13000
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 234,904	234,904	281,147	46,243
Total Revenues	<u>234,904</u>	<u>234,904</u>	<u>281,147</u>	<u>46,243</u>
EXPENDITURES				
Current:				
Student Transportation	234,904	234,904	277,439	(42,535)
Total Expenditures	<u>234,904</u>	<u>234,904</u>	<u>277,439</u>	<u>(42,535)</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	-	-	3,708	3,708
Net Changes in Fund Balances	-	-	3,708	3,708
Cash or Fund Balances - Beginning of Year	-	-	83,147	83,147
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>86,855</u>	<u>86,855</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ 3,708	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 3,708</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory School
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 31,394	47,241	47,241	-
Total Revenues	<u>31,394</u>	<u>47,241</u>	<u>47,241</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	78,583	94,430	43,795	50,635
Total Expenditures	<u>78,583</u>	<u>94,430</u>	<u>43,795</u>	<u>50,635</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(47,189)</u>	<u>(47,189)</u>	<u>3,446</u>	<u>50,635</u>
Net Changes in Fund Balances	<u>(47,189)</u>	<u>(47,189)</u>	<u>3,446</u>	<u>50,635</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>64,645</u>	<u>64,645</u>
Cash or Fund Balances - End of Year	<u>\$ (47,189)</u>	<u>(47,189)</u>	<u>68,091</u>	<u>115,280</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 3,446	
Adjustments to Revenues			-	
Adjustments to Expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 3,446</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory School
Schedule of Budgetary Comparisons - Budgetary Basis
Title I IASA 24101
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 7,155	7,226	-	(7,226)
Total Revenues	<u>7,155</u>	<u>7,226</u>	<u>-</u>	<u>(7,226)</u>
EXPENDITURES				
Current:				
Instruction	7,155	7,226	-	7,226
Total Expenditures	<u>7,155</u>	<u>7,226</u>	<u>-</u>	<u>7,226</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
Net Changes in Fund Balances	-	-	-	-
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory School
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Entitlement 24106
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 75,947	75,947	102,648	26,701
Total Revenues	75,947	75,947	102,648	26,701
EXPENDITURES				
Current:				
Instruction	32,538	32,538	32,538	-
Support Services:				
Students	9,609	9,609	9,609	-
School Administration	33,800	33,800	33,800	-
Total Expenditures	75,947	75,947	75,947	-
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	-	-	26,701	26,701
Net Changes in Fund Balances	-	-	26,701	26,701
Cash or Fund Balances - Beginning of Year	-	-	(29,485)	(29,485)
Cash or Fund Balances - End of Year	\$ -	-	(2,784)	(2,784)
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ 26,701	
Adjustments to Revenues			(10,751)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 15,950	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory School
Schedule of Budgetary Comparisons - Budgetary Basis
Teacher Principal Training 24154
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 9,270	20,515	16,316	(4,199)
Total Revenues	<u>9,270</u>	<u>20,515</u>	<u>16,316</u>	<u>(4,199)</u>
EXPENDITURES				
Current:				
Instruction	9,270	20,515	11,595	8,920
Total Expenditures	<u>9,270</u>	<u>20,515</u>	<u>11,595</u>	<u>8,920</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	-	-	4,721	4,721
Net Changes in Fund Balances	-	-	4,721	4,721
Cash or Fund Balances - Beginning of Year	-	-	(9,804)	(9,804)
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(5,083)</u>	<u>(5,083)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ 4,721	
Adjustments to Revenues			(4,721)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory School
Schedule of Budgetary Comparisons - Budgetary Basis
USHHS / CDC School Health 24186
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ -	5,000	-	(5,000)
Total Revenues	<u>-</u>	<u>5,000</u>	<u>-</u>	<u>(5,000)</u>
EXPENDITURES				
Current:				
Instruction	-	5,000	4,822	178
Total Expenditures	<u>-</u>	<u>5,000</u>	<u>4,822</u>	<u>178</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	-	-	(4,822)	(4,822)
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(4,822)</u>	<u>(4,822)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(4,822)</u>	<u>(4,822)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ (4,822)	
Adjustments to Revenues			4,822	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory School
Schedule of Budgetary Comparisons - Budgetary Basis
2012 SB-66 Student Library 27107
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 3,542	3,542	3,542	-
Total Revenues	3,542	3,542	3,542	-
EXPENDITURES				
Current:				
Support Services:				
Instruction	3,542	3,542	3,542	-
Total Expenditures	3,542	3,542	3,542	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
Net Changes in Fund Balances	-	-	-	-
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	-	-
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory School
Schedule of Budgetary Comparisons - Budgetary Basis
Technology for Education 27117
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
EXPENDITURES				
Current:				
Instruction	\$ -	-	281	(281)
Total Expenditures	-	-	281	(281)
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	-	-	(281)	281
Net Changes in Fund Balances	-	-	(281)	281
Cash or Fund Balances - Beginning of Year	-	-	281	281
Cash or Fund Balances - End of Year	\$ -	-	-	562
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ (281)	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ (281)	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory School
Schedule of Budgetary Comparisons - Budgetary Basis
GO Bonds Instructional Materials 27171
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	-	21,967	21,967
Total Revenues	-	-	21,967	21,967
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	21,967	21,967
Net Changes in Fund Balances	-	-	21,967	21,967
Cash or Fund Balances - Beginning of Year	-	-	(21,967)	(21,967)
Cash or Fund Balances - End of Year	\$ -	-	-	-
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 21,967	
Adjustments to Revenues			(21,967)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory School
Schedule of Budgetary Comparisons - Budgetary Basis
Next Generation Assessments 27185
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	-	22,326	22,326
Total Revenues	-	-	22,326	22,326
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	22,326	22,326
Net Changes in Fund Balances	-	-	22,326	22,326
Cash or Fund Balances - Beginning of Year	-	-	(22,326)	(22,326)
Cash or Fund Balances - End of Year	\$ -	-	-	-
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 22,326	
Adjustments to Revenues			(22,326)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory School
Schedule of Budgetary Comparisons - Budgetary Basis
Public School Capital Outlay 31200
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	444,340	431,206	(13,134)
Total Revenues	<u>-</u>	<u>444,340</u>	<u>431,206</u>	<u>(13,134)</u>
EXPENDITURES				
Capital Outlay	-	444,340	444,340	-
Total Expenditures	<u>-</u>	<u>444,340</u>	<u>444,340</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(13,134)	(13,134)
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(13,134)</u>	<u>(13,134)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>(97,951)</u>	<u>(97,951)</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(111,085)</u>	<u>(111,085)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (13,134)	
Adjustments to Revenues			111,085	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 97,951</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory School
Schedule of Budgetary Comparisons - Budgetary Basis
SB-9 Capital Improvements 31700
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Property Taxes	\$ 180,038	180,038	176,264	(3,774)
State Grant	39,120	54,547	1,036	(53,511)
Total Revenues	219,158	234,585	177,300	(57,285)
EXPENDITURES				
Capital Outlay	219,158	260,008	179,360	80,648
Total Expenditures	219,158	260,008	179,360	80,648
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	(25,423)	(2,060)	23,363
Net Changes in Fund Balances	-	(25,423)	(2,060)	23,363
Cash or Fund Balances - Beginning of Year	-	-	25,423	25,423
Cash or Fund Balances - End of Year	\$ -	(25,423)	23,363	48,786
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (2,060)	
Adjustments to Revenues			57,232	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 55,172	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Cottonwood Classical Preparatory School
 Schedule of Collateral Pledged by Depository for Public Funds
 June 30, 2015

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2015</u>
Wells Fargo	FNMA FNMS	3138W1HG5	2/1/2043	\$ 25,223
Wells Fargo	FNMA FNMS	3138X9A24	7/1/2043	113,720
				<u>\$ 138,943</u>

Total Cash per Schedule of Cash Accounts (excluding Foundation):	\$	427,587
Less: FDIC coverage:		<u>(250,000)</u>
Uninsured Public Funds:		177,587
Collateral Requirement:		88,794
Pledged Collateral Held by Pledging Financial Institution:		<u>138,943</u>
Balance Over Collateralized:	\$	<u>50,149</u>
Balance Uninsured and Uncollateralized at June 30, 2015:	\$	<u>38,645</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Cottonwood Classical Preparatory School
 Schedule of Cash Accounts
 June 30, 2015

<u>Bank Account Type</u>	<u>Wells Fargo</u>
Checking - Operational Account	\$ 427,587
Checking - Foundation	1,281,085
<i>Total on Deposit</i>	1,708,672
Reconciling Items	(19,777)
Reconciled Balance June 30, 2015	1,688,895
Less Agency Funds	-
<i>Total Cash</i>	\$ 1,688,895

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory School
Cash Reconciliation
June 30, 2015

	Operational 11000	Student Transportation 13000	Instructional Materials 14000
Cash, June 30, 2014	\$ 43,425	83,147	64,645
Add:			
2014-15 revenues	<u>3,946,971</u>	<u>281,147</u>	<u>47,241</u>
Total cash available	3,990,396	364,294	111,886
Less:			
2014-15 expenditures	(3,963,835)	(277,439)	(43,795)
Receivables/Payables	325,413	-	-
Outstanding Loans	<u>-</u>	<u>-</u>	<u>-</u>
Cash June 30, 2015	<u>351,974</u>	<u>86,855</u>	<u>68,091</u>
Fund Balance Reconciliations to GAAP Basis:			
Audit reclassifications to cash	<u>(122,473)</u>	-	-
Cash per Books	<u>229,501</u>	<u>86,855</u>	<u>68,091</u>
Fund Balance Reconciliation to GAAP Basis:			
Modified Accrual Adjustments	<u>(253,790)</u>	-	-
Fund Balance, Modified Accrual Basis	<u>\$ 98,184</u>	<u>86,855</u>	<u>68,091</u>

The accompanying notes are an integral part of these financial statements

Federal Flowthrough 24000	State Flowthrough 27000	Public School Capital Outlay 31200	Capital Improvements SB-9 31700	Total
(39,289)	(44,012)	(97,951)	25,423	35,388
118,964	47,835	431,206	177,300	5,050,664
79,675	3,823	333,255	202,723	5,086,052
(92,364)	(3,823)	(444,340)	(179,360)	(5,004,956)
1,371	-	-	-	326,784
-	-	-	-	-
(11,318)	-	(111,085)	23,363	407,880
11,318	-	111,085	-	(70)
-	-	-	23,363	407,810
				Add: Foundation Cash per Balance Sheet - Governmental Funds
				Total Cash per Books
				\$ 1,688,895
11,318	-	111,085	57,232	(74,155)
-	-	-	80,595	333,725
				Add: Foundation Fund Balance per Balance Sheet - Governmental Funds
				Total Fund Balance, Modified Accrual Basis
				\$ 1,606,195

STATE OF NEW MEXICO

PUBLIC EDUCATION DEPARTMENT

Financial Statements
June 30, 2015

VOLUME V



AXIOM

*Certified Public Accountants
and Business Advisors LLC*

**STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
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STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Creative Education Preparatory Institute #1
Statement of Net Position
June 30, 2015
Unaudited

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 76,674
Receivables	
Due from Other Governments	104,213
Total Current Assets	<u>180,887</u>
Total Assets	<u>180,887</u>

Deferred Outflows - Pension Related	<u>239,151</u>
--	----------------

LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accounts Payable	17,033
Accrued Liabilities	171,363
Compensated Absences	4,988
Total Current Liabilities	<u>193,384</u>

Noncurrent Liabilities:

Net Pension Liability	2,191,562
Total Noncurrent Liabilities	<u>2,191,562</u>
Total Liabilities	<u>2,384,946</u>

Deferred Inflows - Pension Related	<u>231,885</u>
---	----------------

NET POSITION

Restricted	31,857
Unrestricted (Deficit)	<u>(2,228,650)</u>
Total Net Position	<u><u>\$ (2,196,793)</u></u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Creative Education Preparatory Institute #1
Statement of Activities
For The Year Ended June 30, 2015
Unaudited

Functions/Programs	Program Revenues				Net (Expenses) Revenues and Changes in Net Position
	Expenses	Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 1,082,887	6,752	206,273	-	(869,862)
Support Services:					
Students	396,048	-	-	-	(396,048)
General Administration	37,431	-	-	-	(37,431)
School Administration	131,692	-	-	-	(131,692)
Central Services	139,927	-	-	-	(139,927)
Operation & Maintenance of Plant	230,877	-	-	-	(230,877)
Facilities Materials, Supplies & Other Services	126,569	-	-	96,760	(29,809)
Total Governmental Activities	\$ 2,145,431	6,752	206,273	96,760	(1,835,646)
General Revenues:					
State Equalization Guarantee					\$ 1,669,422
Total General Revenues					<u>1,669,422</u>
Change in Net Position					<u>(166,224)</u>
Net Position- Beginning of Year					119,999
Restatement					<u>(2,150,568)</u>
Net Position- restated					<u>(2,030,569)</u>
Net position, Ending					<u>\$ (2,196,793)</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Creative Education Preparatory Institute #1
Balance Sheets - Governmental Funds
June 30, 2015
Unaudited

	Operational 11000	Instructional Materials 14000	Title I IASA 24101	IDEA-B Entitlement 24106
ASSETS				
Cash and Cash Equivalents	\$ 50,885	\$ 12,625	9,667	-
Accounts Receivable				
Due from Government	-	-	10,163	37,800
Due from Other Funds	137,690	-	-	-
Total Assets	\$ 188,575	12,625	19,830	37,800
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 17,033	-	-	-
Accrued Expenditures	162,068	-	2,202	3,260
Due to Other Funds	-	-	-	33,825
Total Liabilities	179,101	-	2,202	37,085
Fund Balances (Deficit)				
Fund Balance:				
Restricted for:				
Instruction	-	12,625	17,628	715
Unassigned (Deficit)	9,474	-	-	-
Total Fund Balance (Deficit)	9,474	12,625	17,628	715
Total Liabilities and Fund Balances (Deficit)	\$ 188,575	12,625	19,830	37,800

The accompanying notes are an integral part of these financial statements

IDEA-B Risk Pool 24120	Teacher Principal Training 24154	Title I School Improvement 24162	Dual Credit Instructional Materials 27103	2010 SB-61 Student Library 27106	Teacher and School Leadership Incentive Pay 27188	Public School Capital Outlay 31200
-	-	3,208	289	-	-	-
-	-	-	-	-	56,250	-
-	-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>3,208</u>	<u>289</u>	<u>-</u>	<u>56,250</u>	<u>-</u>
-	-	-	-	-	-	-
-	-	2,608	-	-	1,225	-
-	3,438	-	-	1,038	55,025	28,724
<u>-</u>	<u>3,438</u>	<u>2,608</u>	<u>-</u>	<u>1,038</u>	<u>56,250</u>	<u>28,724</u>
-	-	600	289	-	-	-
-	(3,438)	-	-	(1,038)	-	(28,724)
<u>-</u>	<u>(3,438)</u>	<u>600</u>	<u>289</u>	<u>(1,038)</u>	<u>-</u>	<u>(28,724)</u>
<u>-</u>	<u>-</u>	<u>3,208</u>	<u>289</u>	<u>-</u>	<u>56,250</u>	<u>-</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Creative Education Preparatory Institute #1
Balance Sheets - Governmental Funds (Continued)
June 30, 2015
Unaudited

	SB-9 Capital Improvements 31700	Total
ASSETS		
Cash and Cash Equivalents	\$ -	76,674
Accounts Receivable		
Due from Government	-	104,213
Due from Other Funds	-	137,690
	<u>-</u>	<u>137,690</u>
Total Assets	<u>\$ -</u>	<u>318,577</u>
LIABILITIES AND FUND BALANCES		
Liabilities:		
Accounts Payable	\$ -	17,033
Accrued Expenditures	-	171,363
Due to Other Funds	15,640	137,690
	<u>15,640</u>	<u>137,690</u>
Total Liabilities	<u>15,640</u>	<u>326,086</u>
Fund Balances (Deficit)		
Fund Balance:		
Restricted for:		
Instruction	-	31,857
Unassigned (Deficit)	(15,640)	(39,366)
	<u>(15,640)</u>	<u>(39,366)</u>
Total Fund Balance (Deficit)	<u>(15,640)</u>	<u>(7,509)</u>
Total Liabilities and Fund Balances (Deficit)	<u>\$ -</u>	<u>318,577</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Creative Education Preparatory Institute #1
Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
June 30, 2015
Unaudited

Fund Balance - Total Governmental Funds	\$ (7,509)
<p>Amounts reported for governmental activities in the Statement of Net Position are different because:</p>	
<p>Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds.</p>	239,151
<p>Compensated Absences</p>	(4,988)
<p>Long-term liabilities are not due in the current period and, therefore, are not reported in the funds.</p>	
<p>Net Pension Liability</p>	(2,191,562)
<p>Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds.</p>	(231,885)
Net Position-Total Governmental Activities	<u>\$ (2,196,793)</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Creative Education Preparatory Institute #1
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit)
Governmental Funds
For The Year Ended June 30, 2015
Unaudited

	Operational 11000	Instructional Materials 14000	Title I IASA 24101	IDEA-B Entitlement 24106
REVENUES				
State Grant	\$ 1,669,422	2,192	-	-
Federal Grant	-	-	17,741	72,996
Charges for Services	6,752	-	-	-
Total Revenues	1,676,174	2,192	17,741	72,996
EXPENDITURES				
Current:				
Instruction	963,893	-	10,164	30,300
Support Services:				
Students	380,326	-	-	7,500
General Administration	42,385	-	-	-
School Administration	127,924	-	-	-
Central Services	137,434	-	-	-
Operation & Maintenance of Plant	230,877	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	1,882,839	-	10,164	37,800
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(206,665)</u>	<u>2,192</u>	<u>7,577</u>	<u>35,196</u>
Net Changes in Fund Balances	<u>(206,665)</u>	<u>2,192</u>	<u>7,577</u>	<u>35,196</u>
Fund Balances(Deficit) - Beginning of Year	<u>216,139</u>	<u>10,433</u>	<u>10,051</u>	<u>(34,481)</u>
Fund Balances (Deficit) - End of Year	<u>\$ 9,474</u>	<u>12,625</u>	<u>17,628</u>	<u>715</u>

IDEA-B Risk Pool 24120	Teacher Principal Training 24154	Title I School Improvement 24162	Dual Credit Instructional Materials 27103	2010 SB-61 Student Library 27106	Teacher and School Leadership Incentive Pay 27188	Public School Capital Outlay 31200
-	-	-	-	-	56,250	96,760
366	-	56,728	-	-	-	-
-	-	-	-	-	-	-
<u>366</u>	<u>-</u>	<u>56,728</u>	<u>-</u>	<u>-</u>	<u>56,250</u>	<u>96,760</u>
-	1,828	-	1,207	-	56,250	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	126,569
<u>-</u>	<u>1,828</u>	<u>-</u>	<u>1,207</u>	<u>-</u>	<u>56,250</u>	<u>126,569</u>
<u>366</u>	<u>(1,828)</u>	<u>56,728</u>	<u>(1,207)</u>	<u>-</u>	<u>-</u>	<u>(29,809)</u>
<u>366</u>	<u>(1,828)</u>	<u>56,728</u>	<u>(1,207)</u>	<u>-</u>	<u>-</u>	<u>(29,809)</u>
<u>(366)</u>	<u>(1,610)</u>	<u>(56,128)</u>	<u>1,496</u>	<u>(1,038)</u>	<u>-</u>	<u>1,085</u>
<u>-</u>	<u>(3,438)</u>	<u>600</u>	<u>289</u>	<u>(1,038)</u>	<u>-</u>	<u>(28,724)</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Creative Education Preparatory Institute #1
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit)
Governmental Funds
For The Year Ended June 30, 2015
Unaudited

	SB-9 Capital Improvements 31700	Total
REVENUES		
State Grant	\$ -	1,824,624
Federal Grant	-	147,831
Charges for Services	-	6,752
Total Revenues	-	1,979,207
EXPENDITURES		
Current:		
Instruction	-	1,063,642
Support Services:		
Students	-	387,826
General Administration	-	42,385
School Administration	-	127,924
Central Services	-	137,434
Operation & Maintenance of Plant	-	230,877
Capital Outlay	-	126,569
Total Expenditures	-	2,116,657
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	(137,450)
Net Changes in Fund Balances	-	(137,450)
Fund Balances(Deficit) - Beginning of Year	(15,640)	129,941
Fund Balances (Deficit) - End of Year	\$ (15,640)	(7,509)

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Creative Education Preparatory Institute #1
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances (Deficit) of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2015
Unaudited

Net Change in Fund Balance -Total Governmental Funds **\$ (137,450)**

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

Change in Compensated Absences 4,954

The issuance of long-term debt (e.g., bonds, notes, leases) provide current
 financial resources to governmental funds, while the repayment of the
 principal of long-term debt consumes the current financial resources of
 governmental funds. Neither transaction, however, has any effect on net
 position.

Changes in Net Pension Liability (33,728)

Change in Net Position-Total Governmental Activities **\$ (166,224)**

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Creative Education Preparatory Institute #1
Statement of Fiduciary Assets and Liabilities- Agency Funds
June 30, 2015
Unaudited

	<u>Agency</u>
ASSETS	
Cash in Bank	<u>\$ 7,473</u>
Total Assets	<u><u>\$ 7,473</u></u>
 LIABILITIES	
Deposits Held for Others	<u>\$ 7,473</u>
Total Liabilities	<u><u>\$ 7,473</u></u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Creative Education Preparatory Institute #1
Schedule of Changes in Assets and Liabilities - Agency Funds
For The Year Ended June 30, 2015
Unaudited

	<u>Balance</u> <u>July 1, 2014</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2015</u>
ASSETS				
Cash in Bank	\$ 7,473	-	-	7,473
Total Assets	<u>\$ 7,473</u>	<u>-</u>	<u>-</u>	<u>7,473</u>
 LIABILITIES				
Deposits Held for Others	\$ 7,473	-	-	7,473
Total Liabilities	<u>\$ 7,473</u>	<u>-</u>	<u>-</u>	<u>7,473</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Creative Education Preparatory Institute #1
 Notes to the Financial Statements
 June 30, 2015
 Unaudited

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB’s Fiduciary Net Position have been determined on the economic resources measurement focus and accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 2. COMMITMENTS AND LIABILITIES

The Creative Education Preparatory Institute #1 leased equipment and facilities under long-term cancelable operating leases. Rental expense for the year ended June 30, 2015 was \$189,926. The Creative Education Preparatory Institute #1’s minimum future payments on this lease are as follows:

Year Ending June 30:	
2016	\$ 193,422
2017	<u>199,224</u>
Total	<u>\$ 392,646</u>

NOTE 3. DEFICIT FUND BALANCE

The following fund had a deficit fund balance at June 30, 2015:

Teacher Principal Training - 24154	\$ 3,438
2010 SB-61 Student Library - 27106	1,038
Public School Capital Outlay - 31200	28,724
SB-9 Capital Improvements - 31700	15,640

The Creative Education Preparatory Institute #1 is addressing the negative fund balance and is planning on taking the appropriate actions to eliminate the negative balance.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Creative Education Preparatory Institute #1
Notes to the Financial Statements
June 30, 2015
Unaudited

NOTE 4. BUDGETARY OVERAGE

The Creative Education Preparatory Institute #1 expended in excess of the budget in the following funds and functions:

Fund 11000 Operational – Instruction	\$ 42,547
Fund 27103 Dual Credit Instructional Materials – Instruction	\$ 1,207

NOTE 5. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to the Creative Education Preparatory Institute #1 and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions. The contribution requirements of defined benefit plan members and Creative Education Preparatory Institute #1 are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year ended June 30, 2014 employers contributed 13.15% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.10% of their gross annual salary. For fiscal year ended June 30, 2015 employers contributed 13.90%, and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 contributed an increased amount of 10.70% of their gross annual salary. Contributions to the pension plan from Creative Education Preparatory Institute #1 were \$149,239 for the year ended June 30, 2015.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2013. The total ERB pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2014, using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date June 30, 2014. At June 30, 2015, Creative Education Preparatory Institute #1 reported a liability of \$2,191,562 for its proportionate share of the net pension liability. Creative Education Preparatory Institute #1's

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Creative Education Preparatory Institute #1
Notes to the Financial Statements
June 30, 2015
Unaudited

NOTE 5. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2014. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2014 Creative Education Preparatory Institute #1 proportion was .03841 percent, which was an increase of 0.00193% from its proportion measured as of June 30, 2013.

For the year ended June 30, 2015, Creative Education Preparatory Institute #1 recognized pension expense of \$182,967. At the June 30, 2015, Creative Education Preparatory Institute #1 reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	32,649
Changes in assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	199,236
Changes in proportion and differences between Creative Education Preparatory Institute #1 contributions and proportionate share of contributions	89,912	-
Creative Education Preparatory Institute #1 contributions subsequent to the measurement date	<u>149,239</u>	<u>-</u>
Total	<u>\$ 239,151</u>	<u>231,885</u>

\$149,239 reported as deferred outflows of resources related to pensions resulting from Creative Education Preparatory Institute #1 contributions subsequent to the measurement date June 30, 2014 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Creative Education Preparatory Institute #1
Notes to the Financial Statements
June 30, 2015
Unaudited

NOTE 5. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Year ended June 30:

2016	\$ 29,922
2017	29,922
2018	32,308
2019	<u>49,821</u>
Total	<u>\$ 141,973</u>

Notes Sensitivity of Creative Education Preparatory Institute #1's proportionate share of the net pension liability to changes in the discount rate. The following table shows the sensitivity of the net pension liability to changes in the discount rate as of the fiscal year end 2014. In particular, the table presents the Creative Education Preparatory Institute #1's net pension liability under the current single rate assumption, as if it were calculated using a discount rate one percentage point lower (6.75%) or one percentage point higher (8.75%) than the single discount rate.

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
Creative Education Preparatory Institute #1's proportionate share of the net pension liability	<u>\$ 2,981,875</u>	<u>2,191,562</u>	<u>1,531,536</u>

Payables to the pension plan.

On June 30, 2015 Creative Education Preparatory Institute #1's payable to the Plan was \$37,188.

NOTE 6. RESTATEMENT

As a result of implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, net position at June 30, 2014 was restated in the amount of \$(2,150,568).

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
 Creative Education Preparatory Institute #1
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
 June 30, 2015
 Unaudited

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
 (Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.04%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 2,192	-	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 1,059	-	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	206.99%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30, 2014

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Creative Education Preparatory Institute #1
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2015
Unaudited

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 139	-	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	139	-	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ -	-	-	-	-	-	-	-	-	-

Year	Total Amount Deferred	Amortization Years	Increase (Decrease) in Pension Expense over Recognition Periods											
			2015	2016	2017	2018	2019	2020	2021	2022	2023	2024		
2014	\$ 142	5	\$ 30	30	30	32	50	-	-	-	-	-	-	-
2015	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2016	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2017	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2018	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2019	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2020	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2021	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2022	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2023	-	5	-	-	-	-	-	-	-	-	-	-	-	-
	\$ 142		\$ 30	30	30	32	50	-	-	-	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Creative Education Preparatory Institute #1
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2015
Unaudited

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 1,758,645	1,811,996	1,811,996	-
Charges for Services	-	-	6,752	6,752
Total Revenues	<u>1,758,645</u>	<u>1,811,996</u>	<u>1,818,748</u>	<u>6,752</u>
EXPENDITURES				
Current:				
Instruction	921,346	921,346	963,893	(42,547)
Support Services:				
Students	304,276	329,276	377,348	(48,072)
General Administration	25,800	25,800	31,425	(5,625)
School Administration	114,020	128,371	127,924	447
Central Services	113,944	127,944	137,434	(9,490)
Operation & Maintenance of Plant	349,024	349,024	238,302	110,722
Total Expenditures	<u>1,828,410</u>	<u>1,881,761</u>	<u>1,876,326</u>	<u>5,435</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(69,765)</u>	<u>(69,765)</u>	<u>(57,578)</u>	<u>12,187</u>
Net Changes in Fund Balances	<u>(69,765)</u>	<u>(69,765)</u>	<u>(57,578)</u>	<u>12,187</u>
Cash or Fund Balances - Beginning of Year	<u>216,139</u>	<u>216,139</u>	<u>216,139</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ 146,374</u>	<u>146,374</u>	<u>158,561</u>	<u>12,187</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (57,578)	
Adjustments to Revenues			(142,574)	
Adjustments to Expenditures			(6,513)	
NET CHANGE IN FUND BALANCE			<u>\$ (206,665)</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Creative Education Preparatory Institute #1
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2015
Unaudited

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 8,558	8,558	2,192	(6,366)
Total Revenues	<u>8,558</u>	<u>8,558</u>	<u>2,192</u>	<u>(6,366)</u>
EXPENDITURES				
Current:				
Instruction	8,558	8,558	-	8,558
Total Expenditures	<u>8,558</u>	<u>8,558</u>	<u>-</u>	<u>8,558</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	2,192	2,192
Net Changes in Fund Balances	-	-	2,192	2,192
Cash or Fund Balances - Beginning of Year	10,433	10,433	10,433	-
Cash or Fund Balances - End of Year	<u>\$ 10,433</u>	<u>10,433</u>	<u>12,625</u>	<u>2,192</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 2,192	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 2,192</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Creative Education Preparatory Institute #1
Schedule of Budgetary Comparisons - Budgetary Basis
Title I IASA 24101
For The Year Ended June 30, 2015
Unaudited

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 11,345	13,432	7,578	(5,854)
Total Revenues	<u>11,345</u>	<u>13,432</u>	<u>7,578</u>	<u>(5,854)</u>
EXPENDITURES				
Current:				
Instruction	11,345	13,432	10,164	3,268
Total Expenditures	<u>11,345</u>	<u>13,432</u>	<u>10,164</u>	<u>3,268</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(2,586)	(2,586)
Net Changes in Fund Balances	-	-	(2,586)	(2,586)
Cash or Fund Balances - Beginning of Year	10,141	10,141	10,141	-
Cash or Fund Balances - End of Year	<u>\$ 10,141</u>	<u>10,141</u>	<u>7,555</u>	<u>(2,586)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (2,586)	
Adjustments to Revenues			<u>10,163</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 7,577</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Creative Education Preparatory Institute #1
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Entitlement 24106
For The Year Ended June 30, 2015
Unaudited

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 38,723	38,723	35,196	(3,527)
Total Revenues	<u>38,723</u>	<u>38,723</u>	<u>35,196</u>	<u>(3,527)</u>
EXPENDITURES				
Current:				
Instruction	31,223	31,223	30,300	923
Support Services:				
Students	7,500	7,500	7,500	-
Total Expenditures	<u>38,723</u>	<u>38,723</u>	<u>37,800</u>	<u>923</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(2,604)	(2,604)
Net Changes in Fund Balances	-	-	(2,604)	(2,604)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(2,604)</u>	<u>(2,604)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (2,604)	
Adjustments to Revenues			<u>37,800</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 35,196</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Creative Education Preparatory Institute #1
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Risk Pool 24120
For The Year Ended June 30, 2015
Unaudited

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amount</u>	<u>Variance</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u> <u>Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ -	-	366	366
Total Revenues	<u>-</u>	<u>-</u>	<u>366</u>	<u>366</u>
EXPENDITURES				
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues</i> <i>Over (Under) Expenditures</i>	-	-	366	366
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>366</u>	<u>366</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>366</u>	<u>366</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i> <i>Over (Under) Expenditures</i>			\$ 366	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 366</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Creative Education Preparatory Institute #1
Schedule of Budgetary Comparisons - Budgetary Basis
Teacher Principal Training 24154
For The Year Ended June 30, 2015
Unaudited

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 4,367	9,684	-	(9,684)
Total Revenues	<u>4,367</u>	<u>9,684</u>	<u>-</u>	<u>(9,684)</u>
EXPENDITURES				
Current:				
Instruction	4,367	9,684	1,828	7,856
Total expenditures	<u>4,367</u>	<u>9,684</u>	<u>1,828</u>	<u>7,856</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(1,828)	(1,828)
Net changes in Fund Balances	-	-	(1,828)	(1,828)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(1,828)</u>	<u>(1,828)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (1,828)	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (1,828)</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Creative Education Preparatory Institute #1
Schedule of Budgetary Comparisons - Budgetary Basis
Title I School Improvement 24162
For The Year Ended June 30, 2015
Unaudited

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
<i>Total Revenues</i>	\$ -	-	-	-
EXPENDITURES				
<i>Total expenditures</i>	-	-	-	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
<i>Net changes in Fund Balances</i>	-	-	-	-
<i>Cash or Fund Balances - Beginning of Year</i>	-	-	-	-
<i>Cash or Fund Balances - End of Year</i>	\$ -	-	-	-
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			56,728	
NET CHANGE IN FUND BALANCE			<u>\$ 56,728</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Creative Education Preparatory Institute #1
Schedule of Budgetary Comparisons - Budgetary Basis
Dual Credit Instructional Materials 27103
For The Year Ended June 30, 2015
Unaudited

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
<i>Total Revenues</i>	\$ -	-	-	-
EXPENDITURES				
Current:				
Instruction	-	-	1,207	(1,207)
<i>Total Expenditures</i>	-	-	1,207	(1,207)
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(1,207)	(1,207)
Net Changes in Fund Balances	-	-	(1,207)	(1,207)
Cash or Fund Balances - Beginning of Year	1,496	1,496	1,496	-
Cash or Fund Balances - End of Year	\$ 1,496	1,496	289	(1,207)
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (1,207)	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ (1,207)	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Creative Education Preparatory Institute #1
Schedule of Budgetary Comparisons - Budgetary Basis
Teacher and School Leadership Incentive Pay 27188
For The Year Ended June 30, 2015
Unaudited

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	56,250	-	(56,250)
Total Revenues	<u>-</u>	<u>56,250</u>	<u>-</u>	<u>(56,250)</u>
EXPENDITURES				
Current:				
Instruction	-	56,250	56,250	-
Total Expenditures	<u>-</u>	<u>56,250</u>	<u>56,250</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(56,250)	(56,250)
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(56,250)</u>	<u>(56,250)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(56,250)</u>	<u>(56,250)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (56,250)	
Adjustments to Revenues			<u>56,250</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Creative Education Preparatory Institute #1
Schedule of Budgetary Comparisons - Budgetary Basis
Public School Capital Outlay 31200
For The Year Ended June 30, 2015
Unaudited

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	128,751	128,751	-
Total Revenues	<u>-</u>	<u>128,751</u>	<u>128,751</u>	<u>-</u>
EXPENDITURES				
Capital Outlay	-	128,751	126,569	2,182
Total Expenditures	<u>-</u>	<u>128,751</u>	<u>126,569</u>	<u>2,182</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>2,182</u>	<u>2,182</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>2,182</u>	<u>2,182</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>2,182</u>	<u>2,182</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 2,182	
Adjustments to Revenues			<u>(31,991)</u>	
NET CHANGE IN FUND BALANCE			<u>\$ (29,809)</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Creative Education Preparatory Institute #1
Schedule of Budgetary Comparisons - Budgetary Basis
HB-33 Capital Improvements 31700
For The Year Ended June 30, 2015
Unaudited

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 10,114	14,203	-	(14,203)
Total Revenues	<u>10,114</u>	<u>14,203</u>	<u>-</u>	<u>(14,203)</u>
EXPENDITURES				
Current:				
Capital Outlay	10,114	14,203	-	14,203
Total Expenditures	<u>10,114</u>	<u>14,203</u>	<u>-</u>	<u>14,203</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Creative Education Preparatory Institute #1
Schedule of Collateral Pledged by Depository for Public Funds
June 30, 2015
Unaudited

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2015</u>
US Bank	FHLMC Gold Pool	31294KZE8	5/10/2019	\$ 30,400
US Bank	FHLMC Gold Pool	3128H3L74	4/1/2018	23,866
US Bank	FHLMC Gold REMIC	3137B1H21	4/15/2043	214,531
				<u>\$ 268,797</u>

Total Cash per Schedule of Cash Accounts:	\$ 328,821
Less: FDIC coverage:	<u>(250,000)</u>
Uninsured Public Funds:	78,821
Collateral Requirement:	39,411
Pledged Collateral Held by Pledging Financial Institution:	<u>268,797</u>
Balance Over Collateralized:	<u>\$ 229,386</u>
Balance Uninsured and Uncollateralized at June 30, 2015:	<u>\$ -</u>

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STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Creative Education Preparatory Institute #1
 Schedule of Cash Accounts
 June 30, 2015
 Unaudited

<u>Bank Account Type</u>	<u>US BANK</u>
Checking - Operational Account	\$ 328,821
<i>Total on Deposit</i>	328,821
Reconciling Items	<u>(244,674)</u>
Reconciled Balance June 30, 2015	<u>84,147</u>
Less Agency Funds	<u>(7,473)</u>
<i>Total Cash</i>	<u><u>\$ 76,674</u></u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Creative Education Preparatory Institute #1
Cash Reconciliation
June 30, 2015
Unaudited

	Operational 11000	Instructional Materials 14000	Non-Instruct. Fund 23000
Cash, June 30, 2014	\$ 83,350	10,433	7,473
Add:			
2014-15 revenues	1,827,320	8,307	-
Total Cash Available	1,910,670	18,740	7,473
Less:			
2014-15 expenditures	(1,763,368)	-	(11)
Receivables/Payables	130,836	-	-
Outstanding Loans	(55,334)	-	-
Cash June 30, 2015	222,804 *	18,740 *	7,462 *
Fund Balance Reconciliations to GAAP Basis:			
Audit reclassifications to cash	(225,439)	(6,115)	11
Cash Per Books	(2,635)	12,625	7,473

* Does not match general ledger

Fund Balance Reconciliation to GAAP Basis:			
Modified Accrual Adjustments	12,109	-	(7,473)
Fund Balance (Deficit), Modified Accrual Basis	<u>\$ 9,474</u>	<u>12,625</u>	<u>-</u>

Federal Projects Account 24000	State Account 27000	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Total
(36,207)	458	-	(15,640)	49,867
99,868	-	128,751	-	2,064,246
63,661	458	128,751	(15,640)	2,114,113
(48,224)	(57,456)	(126,569)	-	(1,995,628)
13,712	1,664	-	-	146,212
-	55,334	-	-	-
29,149 *	- *	2,182 *	(15,640) *	264,697
37,246	289	(2,182)	15,640	(180,550)
66,395	289	-	-	84,147
Less: Activity Funds Per Schedule of Changes in Assets and Liabilities- Agency Fund:				(7,473)
				<u>\$ 76,674</u>
(50,890)	(1,038)	(28,724)	(15,640)	(91,656)
15,505	(749)	(28,724)	(15,640)	(7,509)
Balance Sheets - Governmental Funds:				<u>\$ (7,509)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Dream Dine Charter School
 Statement of Net Position
 June 30, 2015

ASSETS

Current Assets:

Cash and Cash Equivalents	\$ 17,346
Receivables	
Due from Other Governments	219,801
Total Current Assets	<u>237,147</u>

Noncurrent Assets:

Capital Assets	
Construction in Progress	67,127
Total Noncurrent Assets	<u>67,127</u>
Total Assets	<u>304,274</u>

LIABILITIES

Current Liabilities:

Accounts Payable	2,436
Accrued Liabilities	5,645
Total Current Liabilities	<u>8,081</u>
Total Liabilities	<u>8,081</u>

NET POSITION

Investment in Capital Assets	67,127
Restricted	202,701
Unrestricted	26,365
Total Net Position	<u>\$ 296,193</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Dream Dine Charter School
Statement of Activities
For The Year Ended June 30, 2015

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expenses) Revenues and Changes in Net Position</u>
		<u>Charges for Service</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	
Governmental activities:					
Instruction	\$ 90,328	-	92,039	-	1,711
Support Services:					
School Administration	125,076	-	300,000	-	174,924
Central Services	17,731	-	-	-	(17,731)
Operation & Maintenance of Plant	15,861	-	-	-	(15,861)
Food Services	5,249	-	-	-	(5,249)
Facilities Materials, Supplies & Other Services	9,001	-	-	9,000	(1)
Total Governmental Activities	\$ 263,246	-	392,039	9,000	137,793
General Revenues:					
State Equalization Guarantee					\$ 158,400
Total General Revenues					158,400
Change in Net Position					296,193
Net Position, Beginning					-
Net position, Ending					\$ 296,193

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Dream Dine Charter School
Balance Sheets - Governmental Funds
June 30, 2015

	Operational 11000	Instructional Materials 14000	Teacher Principal Training 24154	Kellogg Fund Foundation 26121
ASSETS				
Cash and Cash Equivalents	\$ 1,995	1,067	-	-
Accounts Receivable				
Due from Government	-	-	697	200,000
Due from Other Funds	27,106	-	-	-
Total Assets	\$ 29,101	1,067	697	200,000
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 512	-	-	-
Accrued Expenditures	2,224	-	-	2,135
Due to Other Funds	-	-	697	7,305
Total Liabilities	2,736	-	697	9,440
Fund Balances				
Fund Balance:				
Restricted for:				
Instruction	-	1,067	-	-
Administration	-	-	-	190,560
Assigned to:				
Subsequent Years Expenditures and Other Programs	26,365	-	-	-
Total Fund Balance	26,365	1,067	-	190,560
Total Liabilities and Fund Balances	\$ 29,101	1,067	697	200,000

The accompanying notes are an integral part of these financial statements

New Mexico Reads to Lead 27114	Privat Direct Grants 29102	Capital Outlay 31200	Total
1,286	12,998	-	17,346
10,104	-	9,000	219,801
-	-	-	27,106
<u>11,390</u>	<u>12,998</u>	<u>9,000</u>	<u>264,253</u>
-	1,924	-	2,436
1,286	-	-	5,645
10,104	-	9,000	27,106
<u>11,390</u>	<u>1,924</u>	<u>9,000</u>	<u>35,187</u>
-	11,074	-	12,141
-	-	-	190,560
-	-	-	26,365
-	11,074	-	229,066
<u>11,390</u>	<u>12,998</u>	<u>9,000</u>	<u>264,253</u>

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STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Dream Dine Charter School
Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
June 30, 2015

Fund Balance - Total Governmental Funds **\$ 229,066**

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

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

Capital Assets 67,127

Net Position-Total Governmental Activities **\$ 296,193**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Dream Dine Charter School
Statement of Revenues, Expenditures, and Changes In Fund Balances
Governmental Funds
For The Year Ended June 30, 2015

	Operational 11000	Instructional Materials 14000	Teacher Principal Training 24154	Kellogg Fund Foundation 26121
REVENUES				
State Grant	\$ 158,400	1,067	-	-
Federal Grant	-	-	697	-
Contributions	-	-	-	300,000
Miscellaneous Income	9,275	-	-	-
Total Revenues	<u>167,675</u>	<u>1,067</u>	<u>697</u>	<u>300,000</u>
EXPENDITURES				
Current:				
Instruction	36,387	-	697	1,271
Support Services:				
School Administration	33,830	-	-	91,246
Central Services	808	-	-	16,923
Operation & Maintenance of Plant	13,237	-	-	-
Food Services Operations	5,249	-	-	-
Capital Outlay	51,799	-	-	-
Total Expenditures	<u>141,310</u>	<u>-</u>	<u>697</u>	<u>109,440</u>
Net Changes in Fund Balances	<u>26,365</u>	<u>1,067</u>	<u>-</u>	<u>190,560</u>
Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ 26,365</u>	<u>1,067</u>	<u>-</u>	<u>190,560</u>

The accompanying notes are an integral part of these financial statements

New Mexico Reads to Lead 27114	Private Direct Grants 29102	Public School Capital Outlay 31200	Total
50,000	-	9,000	218,467
-	-	-	697
-	31,000	-	331,000
-	-	-	9,275
<u>50,000</u>	<u>31,000</u>	<u>9,000</u>	<u>559,439</u>
50,000	1,973	-	90,328
-	-	-	125,076
-	-	-	17,731
-	2,624	-	15,861
-	-	-	5,249
-	15,329	9,000	76,128
<u>50,000</u>	<u>19,926</u>	<u>9,000</u>	<u>330,373</u>
-	11,074	-	229,066
-	-	-	-
-	11,074	-	229,066

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Dream Dine Charter School
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2015**

Net Change in Fund Balances-Total Governmental Funds **\$ 229,066**

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

Capital outlays to purchase or build capital assets are reported in
governmental funds as expenditures. However, for governmental
activities those costs are shown in the Statement of Net Position and
allocated over their estimated useful lives as annual depreciation
expenses in the Statement of Activities. This is the amount by which
capital outlay exceeds depreciation for the period

Capital Outlays 67,127

Change in Net Position-Total Governmental Activities **\$ 296,193**

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Dream Dine Charter School
Notes to the Financial Statements
June 30, 2015**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Capital Assets. Capital assets purchased or acquired are 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. Dream Dine Charter School's capitalization policy (i.e., the dollar value above which the asset acquisitions are added to the capital accounts) is \$5,000. The Dream Dine Charter School does not capitalize any interest with regard to its capital assets.

Depreciation on all assets is provided on the straight-line basis over the estimated useful lives with no salvage value. The Dream Dine Charter School utilizes Internal Revenue Service guidelines to estimate the useful lives on capital assets.

Capital assets for the Dream Dine Charter School are recorded in the Statement of Net Position.

NOTE 2. CAPITAL ASSETS

The capital assets are composed of construction in progress of \$67,127.

NOTE 3. RELATED PARTY TRANSACTIONS

The business manager services are performed by an individual who performed services for multiple state charter schools.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Dream Dine Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 402,295	158,400	158,400	-
Miscellaneous	-	8,875	9,275	400
Total Revenues	402,295	167,275	167,675	400
EXPENDITURES				
Current:				
Instruction	146,160	41,390	36,387	5,003
Support Services:				
Students	4,750	-	-	-
Instruction	1,070	-	-	-
General Administration	17,000	79	-	79
School Administration	117,391	34,584	33,318	1,266
Central Services	26,250	9,585	808	8,777
Operation & Maintenance of Plant	89,674	75,262	65,036	10,226
Food Services Operations	-	6,375	5,249	1,126
Total Expenditures	402,295	167,275	140,798	26,477
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	26,877	26,877
Net Changes in Fund Balances	-	-	26,877	26,877
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	26,877	26,877
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 26,877	
Adjustments to Revenues			-	
Adjustments to Expenditures			(512)	
NET CHANGE IN FUND BALANCE			\$ 26,365	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Dream Dine Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Instructional Materials 14000
 For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	1,067	1,067	-
Total Revenues	-	1,067	1,067	-
EXPENDITURES				
Current:				
Instruction	-	1,067	-	1,067
Total Expenditures	-	1,067	-	1,067
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	1,067	1,067
Net Changes in Fund Balances	-	-	1,067	1,067
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	1,067	1,067
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 1,067	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 1,067	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Dream Dine Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Teacher/Principal Training & Recruiting 24154
 For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 2,353	697	-	(697)
Total Revenues	<u>2,353</u>	<u>697</u>	<u>-</u>	<u>(697)</u>
EXPENDITURES				
Current:				
Instruction	2,353	697	697	-
Total Expenditures	<u>2,353</u>	<u>697</u>	<u>697</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(697)	(697)
Net Changes in Fund Balances	-	-	(697)	(697)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(697)</u>	<u>(697)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (697)	
Adjustments to Revenues			697	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Dream Dine Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Kellogg Fund/Foundation 26121
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Contributions	\$ 100,000	200,000	100,000	(100,000)
Total Revenues	100,000	200,000	100,000	(100,000)
EXPENDITURES				
Current:				
Instruction	16,036	31,016	1,271	29,745
Support Services:				
General Administration	4,284	4,284	-	4,284
School Administration	44,180	129,200	91,246	37,954
Central Services	35,500	35,500	16,923	18,577
Total Expenditures	100,000	200,000	109,440	90,560
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(9,440)	(9,440)
Net Changes in Fund Balances	-	-	(9,440)	(9,440)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	(9,440)	(9,440)
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (9,440)	
Adjustments to Revenues			200,000	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 190,560	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Dream Dine Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 New Mexico Reads to Lead 27114
 For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 50,000	50,000	39,896	(10,104)
Total Revenues	<u>50,000</u>	<u>50,000</u>	<u>39,896</u>	<u>(10,104)</u>
EXPENDITURES				
Current:				
Instruction	50,000	50,000	50,000	-
Total Expenditures	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(10,104)	(10,104)
Net Changes in Fund Balances	-	-	(10,104)	(10,104)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(10,104)</u>	<u>(10,104)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (10,104)	
Adjustments to Revenues			10,104	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Dream Dine Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Private Direct Grant 29102
 For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Contributions	\$ -	31,000	31,000	-
Total Revenues	-	31,000	31,000	-
EXPENDITURES				
Current:				
Instruction	-	6,000	1,973	4,027
Operation & Maintenance of Plant	-	25,000	16,029	8,971
Total Expenditures	-	31,000	18,002	12,998
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	12,998	12,998
Net Changes in Fund Balances	-	-	12,998	12,998
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	12,998	12,998
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 12,998	
Adjustments to Revenues			-	
Adjustments to Expenditures			(1,924)	
NET CHANGE IN FUND BALANCE			\$ 11,074	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Dream Dine Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Public School Capital Outlay 31200
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	33,298	-	(33,298)
Total Revenues	-	33,298	-	(33,298)
EXPENDITURES				
Current:				
Capital Outlay	-	33,298	9,000	24,298
Total Expenditures	-	33,298	9,000	24,298
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(9,000)	(9,000)
Net Changes in Fund Balances	-	-	(9,000)	(9,000)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	(9,000)	(9,000)
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (9,000)	
Adjustments to Revenues			9,000	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Dream Dine Charter School
 Schedule of Collateral Pledged by Depository for Public Funds
 June 30, 2015

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2015</u>
N/A	N/A	N/A	N/A	\$ -
				<u>\$ -</u>

Total Cash per Schedule of Cash Accounts:	\$	19,842
Less: FDIC coverage:		<u>(19,842)</u>
Uninsured Public Funds:		-
Collateral Requirement:		-
Pledged Collateral Held by Pledging Financial Institution:		<u>-</u>
Balance Over Collateralized:	\$	<u>-</u>
Balance Uninsured and Uncollateralized at June 30, 2015:	\$	<u>-</u>

The accompanying notes are an integral part of these financial statements

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STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Dream Dine Charter School
 Schedule of Cash Accounts
 June 30, 2015

<u>Bank Account Type</u>	<u>Wells Fargo</u>
Checking - Operational Account	<u>\$ 19,842</u>
<i>Total on Deposit</i>	19,842
Reconciling Items	<u>(2,496)</u>
Reconciled Balance June 30, 2015	<u>17,346</u>
<i>Total Cash</i>	<u><u>\$ 17,346</u></u>

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Dream Dine Charter School
Cash Reconciliation
June 30, 2015

	Operational 11000	Instructional Materials 14000	Title II 24154	Kellogg/Fund Foundation 26121
Cash, June 30, 2014	\$ -	-	-	-
Add:				
2014-15 revenues	167,675	1,067	-	100,000
Total Cash Available	167,675	1,067	-	100,000
Less:				
2014-15 expenditures	(140,798)	-	(697)	(109,440)
Receivables/Payables	2,224	-	-	2,135
Outstanding Loans	(27,106)	-	697	7,305
Cash June 30, 2015	1,995	1,067	-	-
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	-	-	-	-
Cash Per Books	1,995	1,067	-	-
Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	24,370	-	-	190,560
Fund Balance, Modified Accrual Basis	\$ 26,365	1,067	-	190,560

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

New Mexico Reads to Lead 27114	Private Direct Grants 29102	Public School Capital Outlay 31200	Total
-	-	-	-
<u>39,896</u>	<u>31,000</u>	<u>-</u>	<u>339,638</u>
39,896	31,000	-	339,638
(50,000)	(18,002)	(9,000)	(327,937)
1,286	-	-	5,645
<u>10,104</u>	<u>-</u>	<u>9,000</u>	<u>-</u>
<u>1,286</u>	<u>12,998</u>	<u>-</u>	<u>17,346</u>
-	-	-	-
<u>1,286</u>	<u>12,998</u>	<u>-</u>	<u>17,346</u>
(1,286)	(1,924)	-	211,720
<u>-</u>	<u>11,074</u>	<u>-</u>	<u>229,066</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 East Mountain High School
 Statement of Net Position
 June 30, 2015

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 1,236,652
Receivables	
Due from Other Governments	188,672
Prepaid Expenditures	<u>2,785</u>
Total Current Assets	<u><u>1,428,109</u></u>

Noncurrent Assets:

Capital Assets	
Land	392,715
Building and Improvements	3,743,316
Furniture, Fixtures, and Equipment	586,929
Construction in Progress	89,752
Less: Accumulated Depreciation	<u>(1,232,093)</u>
Total Noncurrent Assets	<u><u>3,580,619</u></u>
Total Assets	<u><u>5,008,728</u></u>

Deferred Outflows - Pension Related	<u><u>359,571</u></u>
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LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accounts Payable	13,210
Accrued Liabilities	117,398
Current Portion of Long-Term Debt	<u>191,575</u>
Total Current Liabilities	<u><u>322,183</u></u>

Noncurrent Liabilities:

Long-Term Debt	697,155
Net Pension Liability	<u>3,858,206</u>
Total Noncurrent Liabilities	<u><u>4,555,361</u></u>
Total Liabilities	<u><u>4,877,544</u></u>

Deferred Inflows - Pension Related	<u><u>408,179</u></u>
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NET POSITION

Net Investment in Capital Assets	2,691,889
Restricted	290,477
Unrestricted (Deficit)	<u>(2,899,790)</u>
Total Net Position	<u><u>\$ 82,576</u></u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
East Mountain High School
Statement of Activities
For The Year Ended June 30, 2015

Functions/Programs	Program Revenues				Net (Expenses) Revenues and Changes in Net Position
	Expenses	Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 1,969,615	172,879	431,236	-	(1,365,500)
Support Services:					
Students	243,748	-	-	-	(243,748)
Instruction	60,784	-	-	-	(60,784)
General Administration	196,043	-	-	-	(196,043)
School Administration	203,882	-	-	-	(203,882)
Central Services	164,105	-	-	-	(164,105)
Operation & Maintenance of Plant	270,311	-	-	-	(270,311)
Other Support Services	11,483	-	-	-	(11,483)
Student Transportation	17,827	-	-	-	(17,827)
Facilities Materials, Supplies & Other Services	1,046,630	-	-	285,959	(760,671)
Total Governmental Activities	\$ 4,184,428	172,879	431,236	285,959	(3,294,354)
General Revenues:					
Property Taxes					\$ 326,768
State Equalization Guarantee					2,636,371
Miscellaneous					684,598
Total General Revenues					<u>3,647,737</u>
Change in Net Position					<u>353,383</u>
Net Position- Beginning of Year					3,586,663
Restatement					(3,857,470)
Net Position, as Restated					<u>(270,807)</u>
Net position, Ending					<u>\$ 82,576</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
East Mountain High School
Balance Sheets - Governmental Funds
June 30, 2015

	Operational 11000	Instructional Materials 14000	Title I IASA 24101	IDEA-B Entitlement 24106
ASSETS				
Cash and Cash Equivalents	\$ 385,000	22,668	-	-
Accounts Receivable				
Due from Government	-	-	-	36,054
Due from Other Funds	181,215	-	-	-
Prepaid Expenditures	2,785	-	-	-
Total Assets	\$ 569,000	22,668	-	36,054
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 13,210	-	-	-
Accrued Expenditures	115,413	-	-	1,474
Due to Other Funds	-	-	-	34,580
Total Liabilities	128,623	-	-	36,054
Fund Balances				
Fund Balance:				
Nonspendable:				
Prepaid Expenditures	2,785	-	-	-
Restricted for:				
Instruction	-	22,668	-	-
Capital Improvements	-	-	-	-
Unassigned	437,592	-	-	-
Total Fund Balance	440,377	22,668	-	-
Total Liabilities and Fund Balances	\$ 569,000	22,668	-	36,054

CEIS 24112	Teacher Principal Training 24154	Rural Education Achievement 25233	CNM Foundation 26207	Dual Credit Instructional Materials 27103	Robotics 2013 27116
-	-	48	-	-	-
1,720	8,185	-	-	1,584	19,356
-	-	-	-	-	-
-	-	-	-	-	-
<u>1,720</u>	<u>8,185</u>	<u>48</u>	<u>-</u>	<u>1,584</u>	<u>19,356</u>
-	-	-	-	-	-
-	-	48	-	-	-
<u>1,720</u>	<u>8,185</u>	<u>-</u>	<u>-</u>	<u>1,584</u>	<u>19,356</u>
<u>1,720</u>	<u>8,185</u>	<u>48</u>	<u>-</u>	<u>1,584</u>	<u>19,356</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>1,720</u>	<u>8,185</u>	<u>48</u>	<u>-</u>	<u>1,584</u>	<u>19,356</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
East Mountain High School
Balance Sheets - Governmental Funds (Continued)
June 30, 2015

	Teacher & School Leader Incent Pay Individual 27188	Teacher & School Leader Incent Pay Group 27190	Early Warning System/Early Intervention Grant 27191
ASSETS			
Cash and Cash Equivalents	\$ -	-	11
Accounts Receivable			
Due from Government	72,975	28,500	-
Due from Other Funds	-	-	-
Prepaid Expenditures	-	-	-
Total Assets	\$ 72,975	28,500	11
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts Payable	\$ -	-	-
Accrued Expenditures	303	149	11
Due to Other Funds	72,672	28,351	-
Total Liabilities	72,975	28,500	11
Fund Balances			
Fund Balance:			
Nonspendable:			
Prepaid Expenditures	-	-	-
Restricted for:			
Instruction	-	-	-
Capital Improvements	-	-	-
Unassigned	-	-	-
Total Fund Balance	-	-	-
Total Liabilities and Fund Balances	\$ 72,975	28,500	11

The accompanying notes are an integral part of these financial statements

Private Dir Grants (Categorical) 29102	Public School Capital Outlay 31200	Special Capital Outlay State 31400	HB-33 Capital Improvements 31600	SB-9 Capital Improvements 31700	Foundation	Total
3,116	-	-	153,584	102,793	569,432	1,236,652
-	-	14,767	3,855	1,676	-	188,672
-	-	-	-	-	-	181,215
-	-	-	-	-	-	2,785
<u>3,116</u>	<u>-</u>	<u>14,767</u>	<u>157,439</u>	<u>104,469</u>	<u>569,432</u>	<u>1,609,324</u>
-	-	-	-	-	-	13,210
-	-	-	-	-	-	117,398
-	-	14,767	-	-	-	181,215
<u>-</u>	<u>-</u>	<u>14,767</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>311,823</u>
-	-	-	-	-	-	2,785
3,116	-	-	-	-	-	25,784
-	-	-	157,439	104,469	-	261,908
-	-	-	-	-	569,432	1,007,024
<u>3,116</u>	<u>-</u>	<u>-</u>	<u>157,439</u>	<u>104,469</u>	<u>569,432</u>	<u>1,297,501</u>
<u>3,116</u>	<u>-</u>	<u>14,767</u>	<u>157,439</u>	<u>104,469</u>	<u>569,432</u>	<u>1,609,324</u>

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STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
East Mountain High School
Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
June 30, 2015

Fund Balance - Total Governmental Funds **\$ 1,297,501**

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

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

Capital Assets	4,812,712	
Accumulated Depreciation	<u>(1,232,093)</u>	
		3,580,619

Defined benefit pension plan deferred outflows are not
 financial resources and, therefore, are not reported in the
 funds.

359,571

Long-term liabilities are not due in the current period and,
 therefore, are not reported in the funds.

Long-Term Debt	(888,730)	
Net Pension Liability	<u>(3,858,206)</u>	
		(4,746,936)

Defined benefit pension plan deferred inflows are not due and
 payable in the current period and, therefore, not reported
 in the funds.

(408,179)

Net Position-Total Governmental Activities		\$ <u>82,576</u>
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STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
East Mountain High School
Statement of Revenues, Expenditures, and Changes In Fund Balances
Governmental Funds
For The Year Ended June 30, 2015

	Operational 11000	Instructional Materials 14000	Title I IASA 24101	IDEA-B Entitlement 24106
REVENUES				
Property Taxes	\$ -	-	-	-
Local & County Grant	140,298	366	-	-
State Grant	2,636,371	26,039	-	-
Federal Grant	8,666	-	28,462	58,298
Charges for Services	172,879	-	-	-
Miscellaneous Income	-	-	-	-
Total Revenues	<u>2,958,214</u>	<u>26,405</u>	<u>28,462</u>	<u>58,298</u>
EXPENDITURES				
Current:				
Instruction	1,700,722	15,249	28,462	43,699
Support Services:				
Students	216,194	-	-	14,599
Instruction	59,334	-	-	-
General Administration	190,639	-	-	-
School Administration	193,129	-	-	-
Central Services	159,870	-	-	-
Operation & Maintenance of Plant	265,004	-	-	-
Student Transportation	15,940	-	-	-
Other Support Services Operations	11,483	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>2,812,315</u>	<u>15,249</u>	<u>28,462</u>	<u>58,298</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>145,899</u>	<u>11,156</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>145,899</u>	<u>11,156</u>	<u>-</u>	<u>-</u>
Fund Balances - Beginning of Year	<u>294,478</u>	<u>11,512</u>	<u>-</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ 440,377</u>	<u>22,668</u>	<u>-</u>	<u>-</u>

CEIS 24112	Teacher Principal Training 24154	Rural Education Achievement 25233	CNM Foundation 26207	Dual Credit Instructional Materials 27103	Robotics 2013 27116
-	-	-	-	-	-
-	-	-	750	-	-
-	-	-	-	10,558	19,356
1,720	8,185	24,455	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>1,720</u>	<u>8,185</u>	<u>24,455</u>	<u>750</u>	<u>10,558</u>	<u>19,356</u>
-	8,185	22,414	650	10,558	19,356
1,720	-	2,041	100	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>1,720</u>	<u>8,185</u>	<u>24,455</u>	<u>750</u>	<u>10,558</u>	<u>19,356</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
East Mountain High School
Statement of Revenues, Expenditures, and Changes In Fund Balances - Continued
Governmental Funds
For The Year Ended June 30, 2015

	Teacher & School Leader Incent Pay Individual 27188	Teacher & School Leader Incent Pay Group 27190	Early Warning System/Early Intervention Grant 27191
REVENUES			
Property Taxes	\$ -	-	-
Local & County Grant	-	-	-
State Grant	72,975	28,500	-
Federal Grant	-	-	2,608
Charges for Services	-	-	-
Miscellaneous Income	-	-	-
Total Revenues	<u>72,975</u>	<u>28,500</u>	<u>2,608</u>
EXPENDITURES			
Current:			
Instruction	67,665	18,755	202
Support Services:			
Students	-	2,234	2,406
Instruction	-	765	-
General Administration	-	2,235	-
School Administration	5,310	1,469	-
Central Services	-	1,517	-
Operation & Maintenance of Plant	-	1,525	-
Student Transportation	-	-	-
Other Support Services Operations	-	-	-
Capital Outlay	-	-	-
Total Expenditures	<u>72,975</u>	<u>28,500</u>	<u>2,608</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>

Private Dir Grants (Categorical) 29102	Public School Capital Outlay 31200	Special Capital Outlay State 31400	HB-33 Capital Improvements 31600	SB-9 Capital Improvements 31700	Foundation	Total
-	-	-	218,656	108,112	-	326,768
-	-	-	-	-	-	141,414
-	271,192	14,767	-	-	-	3,079,758
-	-	-	-	-	-	132,394
-	-	-	-	-	-	172,879
-	-	-	-	-	684,598	684,598
-	271,192	14,767	218,656	108,112	684,598	4,537,811
620	-	-	-	-	-	1,936,537
-	-	-	-	-	-	239,294
-	-	-	-	-	-	60,099
-	-	-	-	-	-	192,874
-	-	-	-	-	-	199,908
-	-	-	-	-	-	161,387
-	-	-	-	-	-	266,529
-	-	-	-	-	-	15,940
-	-	-	-	-	-	11,483
-	271,192	14,767	156,783	63,994	572,747	1,079,483
620	271,192	14,767	156,783	63,994	572,747	4,163,534
(620)	-	-	61,873	44,118	111,851	374,277
(620)	-	-	61,873	44,118	111,851	374,277
3,736	-	-	95,566	60,351	457,581	923,224
3,116	-	-	157,439	104,469	569,432	1,297,501

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 East Mountain High School
 Reconciliation of the Statement of Revenues, Expenditures, and Changes
 in Fund Balances of Governmental Funds to the Statement of Activities
 For the Year Ended June 30, 2015

Net Change in Fund Balance -Total Governmental Funds **\$ 374,277**

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

Capital outlays to purchase or build capital assets are reported in
 governmental funds as expenditures. However, for governmental activities
 those costs are shown in the Statement of Net Position and allocated over
 their estimated useful lives as annual depreciation expenses in the
 Statement of Activities. This is the amount by which capital outlay exceeds
 depreciation for the period

Capital Outlays	73,247	
Depreciation Expense	(314,489)	
	(241,242)	(241,242)

The issuance of long-term debt (e.g., bonds, notes, leases) provide current
 financial resources to governmental funds, while the repayment of the
 principal of long-term debt consumes the current financial resources of
 governmental funds. Neither transaction, however, has any effect on net
 position.

Change in Net Pension Liability	(49,344)	
Payment of Notes Payable	269,692	
	220,348	220,348

Change in Net Position-Total Governmental Activities **\$ 353,383**

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 East Mountain High School
 Statement of Fiduciary Assets and Liabilities- Agency Funds
 June 30, 2015

	<u>Agency</u>
ASSETS	
Cash in Bank	<u>\$ 25,921</u>
Total Assets	<u><u>\$ 25,921</u></u>
 LIABILITIES	
Deposits Held for Others	<u>\$ 25,921</u>
Total Liabilities	<u><u>\$ 25,921</u></u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 East Mountain High School
 Schedule of Changes in Assets and Liabilities - Agency Funds
 For The Year Ended June 30, 2015

	<u>Balance</u> <u>July 1, 2014</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2015</u>
ASSETS				
Cash in Bank	\$ 19,522	32,024	25,625	25,921
Total Assets	<u>\$ 19,522</u>	<u>32,024</u>	<u>25,625</u>	<u>25,921</u>
LIABILITIES				
Deposits Held for Others	\$ 19,522	32,024	25,625	25,921
Total Liabilities	<u>\$ 19,522</u>	<u>32,024</u>	<u>25,625</u>	<u>25,921</u>

The accompanying notes are an integral part of these financial statements

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Capital Assets. Capital assets purchased or acquired are 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 East Mountain High School's capitalization policy (i.e., the dollar value above which the asset acquisitions are added to the capital accounts) is \$5,000. The East Mountain High School does not capitalize any interest with regard to its capital assets.

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

Furniture, Fixtures and Equipment	5 years
Buildings and Improvements	40 years

Capital assets for the East Mountain High School are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB's Fiduciary Net Position have been determined on the economic resources measurement focus and accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
East Mountain High School
Notes to the Financial Statements
June 30, 2015

NOTE 2. CAPITAL ASSETS

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

	<u>Balance</u> <u>June 30, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2015</u>
<i>Capital Assets not being Depreciated:</i>				
Land	\$ 392,715	-	-	392,715
Construction in Progress	89,752	-	-	89,752
<i>Total</i>	<u>482,467</u>	<u>-</u>	<u>-</u>	<u>482,467</u>
<i>Capital Assets being Depreciated:</i>				
Furniture, Fixtures and Equipment	629,240	47,986	(90,297)	586,929
Software	28,228	-	(28,228)	-
Building and Improvements	3,718,055	25,261	-	3,743,316
<i>Total</i>	<u>4,375,523</u>	<u>73,247</u>	<u>(118,525)</u>	<u>4,330,245</u>
<i>Less: Accumulated Depreciation</i>				
Furniture, fixtures and equipment	(388,235)	(34,315)	90,297	(332,253)
Software	(28,228)	-	28,228	-
Building and improvements	(619,666)	(280,174)	-	(899,840)
<i>Total</i>	<u>(1,036,129)</u>	<u>(314,489)</u>	<u>118,525</u>	<u>(1,232,093)</u>
Capital Assets, Net	<u>\$ 3,821,861</u>	<u>(241,242)</u>	<u>-</u>	<u>3,580,619</u>

Depreciation expensed for the year ended June 30, 2015 was expensed to the following functions:

Instruction	\$ 4,403
Facilities, Materials, Supplies & Other Services	<u>310,086</u>
Total	<u>\$ 314,489</u>

NOTE 3. COMMITMENTS AND LIABILITIES

The East Mountain High School leased equipment and facilities under long-term cancelable operating leases. Rental expense for the year ended June 30, 2015 was \$412,390. The East Mountain High School's minimum future payments on this lease are as follows:

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
East Mountain High School
Notes to the Financial Statements
June 30, 2015

NOTE 3. COMMITMENTS AND LIABILITIES (CONTINUED)

Year Ending June 30:	
2016	\$ 410,643
2017	410,643
2018	410,643
2019	392,200
2020	392,200
2021- 2025	1,243,939
Total	<u><u>\$ 3,260,268</u></u>

In February 2012, the East Mountain High School Foundation (EMHS Foundation) converted its operating lease with the school into a lease to purchase agreement for all of the buildings and the property. As a result of the agreement, the EMHS Foundation received cash of \$109,000 and recorded a note receivable for \$3,891,000. As June 30, 2015, the balance on the note receivable was \$3,204,975, including interest at 5.5%. The note receivable is to be paid to the EMHS Foundation over a fourteen year period. The note receivable and capital lease obligation have been eliminated due to the consolidation of the blended component unit.

Mortgage Payable to bank secured by building; interest at bank's rate 3.25% due in monthly installments of \$25,317; maturing July 2020	\$ 888,730
Less: current maturities	(191,575)
	<u><u>\$ 697,155</u></u>

The aggregate amounts of principal maturities of the mortgage payable as follows:

Year Ending June 30:	
2016	\$ 191,575
2017	197,894
2018	204,422
2019	228,256
2020	66,583
Total	<u><u>\$ 888,730</u></u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
East Mountain High School
Notes to the Financial Statements
June 30, 2015

NOTE 4. RELATED PARTY TRANSACTIONS

The East Mountain High School has a Foundation which donates funds to the school. The School also entered into a Lease to Purchase with the Foundation approved by the Public School Facility Authority in February 2012. The Foundation is presented as a blended component unit of the school.

NOTE 5. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to the East Mountain High School and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions. The contribution requirements of defined benefit plan members and East Mountain High School are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year ended June 30, 2014 employers contributed 13.15% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.10% of their gross annual salary. For fiscal year ended June 30, 2015 employers contributed 13.90%, and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 contributed an increased amount of 10.70% of their gross annual salary. Contributions to the pension plan from East Mountain High School were \$254,282 for the year ended June 30, 2015.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2013. The total ERB pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2014, using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date June 30, 2014. At June 30, 2015, East Mountain High School reported a liability of \$3,858,206 for its proportionate share of the net pension liability. East Mountain High School's proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2014. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2014, East Mountain High School's proportion was .06762% percent, which was an increase of .00226% from its proportion measured as of June 30, 2013.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
East Mountain High School
Notes to the Financial Statements
June 30, 2015

NOTE 5. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

For the year ended June 30, 2015, East Mountain High School recognized pension expense of \$303,626. At the June 30, 2015, East Mountain High School reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	57,470
Changes in assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	350,709
Changes in proportion and differences between East Mountain High School contributions and proportionate share of contributions	105,289	-
East Mountain High School contributions subsequent to the measurement date	<u>254,282</u>	<u>-</u>
Total	<u>\$ 359,571</u>	<u>408,179</u>

\$254,282 reported as deferred outflows of resources related to pensions resulting from East Mountain High School contributions subsequent to the measurement date June 30, 2014 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2016	\$ 71,080
2017	71,080
2018	73,072
2019	<u>87,658</u>
Total	<u>\$ 302,890</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
East Mountain High School
Notes to the Financial Statements
June 30, 2015

NOTE 5. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

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

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
East Mountain High School's proportionate share of the net pension liability	<u>\$ 5,249,537</u>	<u>3,858,206</u>	<u>2,695,914</u>

Payables to the pension plan. On June 30, 2015 East Mountain High School's payable to the Plan was \$68,758, which was paid in July 2015.

NOTE 6. RESTATEMENT

As a result of the implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, net position at June 30, 2014 was restated in the amount of \$(3,857,470).

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
 East Mountain High School
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
 June 30, 2015

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
 (Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.07%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 3,858	-	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 1,864	-	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	207.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30, 2014

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
East Mountain High School
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2015

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 245	-	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	245	-	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ -	-	-	-	-	-	-	-	-	-

Year	Total Amount Deferred	Amortization Years	Increase (Decrease) in Pension Expense over Recognition Periods											
			2015	2016	2017	2018	2019	2020	2021	2022	2023	2024		
2014	\$ 303	5	\$ 71	71	71	73	88	-	-	-	-	-	-	-
2015	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2016	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2017	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2018	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2019	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2020	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2021	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2022	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2023	-	5	-	-	-	-	-	-	-	-	-	-	-	-
	\$ 303		\$ 71	71	71	73	88	-	-	-	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
East Mountain High School
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Local & County Grant	\$ 228,171	130,121	140,298	10,177
State Grant	2,629,166	2,636,370	2,636,371	1
Federal Grant	-	8,666	8,666	-
Charges for Services	135,046	135,046	172,879	37,833
Total Revenues	<u>2,992,383</u>	<u>2,910,203</u>	<u>2,958,214</u>	<u>48,011</u>
EXPENDITURES				
Current:				
Instruction	1,760,247	1,861,917	1,699,423	162,494
Support Services:				
Students	239,361	256,261	216,456	39,805
Instruction	106,162	77,762	60,042	17,720
General Administration	188,440	204,440	182,894	21,546
School Administration	221,612	210,712	193,129	17,583
Central Services	165,976	182,776	159,870	22,906
Operation & Maintenance of Plant	322,586	316,568	266,469	50,099
Student Transportation	23,071	33,549	15,940	17,609
Other Support Services Operations	60,000	82,968	11,483	71,485
Total Expenditures	<u>3,087,455</u>	<u>3,226,953</u>	<u>2,805,706</u>	<u>421,247</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(95,072)</u>	<u>(316,750)</u>	<u>152,508</u>	<u>469,258</u>
Net Changes in Fund Balances	<u>(95,072)</u>	<u>(316,750)</u>	<u>152,508</u>	<u>469,258</u>
Cash or Fund Balances - Beginning of Year	<u>298,294</u>	<u>298,294</u>	<u>298,294</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ 203,222</u>	<u>(18,456)</u>	<u>450,802</u>	<u>469,258</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 152,508	
Adjustments to Expenditures			<u>(6,609)</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 145,899</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
East Mountain High School
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Local & County Grant	\$ -	-	366	366
State Grant	18,989	26,039	26,039	-
Total Revenues	<u>18,989</u>	<u>26,039</u>	<u>26,405</u>	<u>366</u>
EXPENDITURES				
Current:				
Instruction	22,589	37,551	15,249	22,302
Total Expenditures	<u>22,589</u>	<u>37,551</u>	<u>15,249</u>	<u>22,302</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(3,600)</u>	<u>(11,512)</u>	<u>11,156</u>	<u>22,668</u>
Net Changes in Fund Balances	<u>(3,600)</u>	<u>(11,512)</u>	<u>11,156</u>	<u>22,668</u>
Cash or Fund Balances - Beginning of Year	<u>11,512</u>	<u>11,512</u>	<u>11,512</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ 7,912</u>	<u>-</u>	<u>22,668</u>	<u>22,668</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 11,156	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 11,156</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
East Mountain High School
Schedule of Budgetary Comparisons - Budgetary Basis
Title I IASA 24101
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 29,180	28,462	28,462	-
Total Revenues	<u>29,180</u>	<u>28,462</u>	<u>28,462</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	29,180	28,462	28,462	-
Total Expenditures	<u>29,180</u>	<u>28,462</u>	<u>28,462</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
East Mountain High School
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Entitlement 24106
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 52,217	58,299	54,707	(3,592)
Total Revenues	<u>52,217</u>	<u>58,299</u>	<u>54,707</u>	<u>(3,592)</u>
EXPENDITURES				
Current:				
Instruction	37,617	43,699	43,699	-
Support Services:				
Students	14,600	14,600	14,599	1
Total Expenditures	<u>52,217</u>	<u>58,299</u>	<u>58,298</u>	<u>1</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(3,591)	(3,591)
Net Changes in Fund Balances	-	-	(3,591)	(3,591)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(3,591)</u>	<u>(3,591)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (3,591)	
Adjustments to Revenues			<u>3,591</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 East Mountain High School
 Schedule of Budgetary Comparisons - Budgetary Basis
 CEIS 24112
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 2,000	2,000	-	(2,000)
Total Revenues	<u>2,000</u>	<u>2,000</u>	<u>-</u>	<u>(2,000)</u>
EXPENDITURES				
Current:				
Support Services:				
Students	2,000	2,000	1,720	280
Total Expenditures	<u>2,000</u>	<u>2,000</u>	<u>1,720</u>	<u>280</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(1,720)	(1,720)
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(1,720)</u>	<u>(1,720)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(1,720)</u>	<u>(1,720)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (1,720)	
Adjustments to Revenues			<u>1,720</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 East Mountain High School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Teacher Principal Training 24154
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 7,703	8,185	-	(8,185)
Total Revenues	<u>7,703</u>	<u>8,185</u>	<u>-</u>	<u>(8,185)</u>
EXPENDITURES				
Current:				
Instruction	7,703	8,185	8,185	-
Total expenditures	<u>7,703</u>	<u>8,185</u>	<u>8,185</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	-	-	(8,185)	(8,185)
Net changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(8,185)</u>	<u>(8,185)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(8,185)</u>	<u>(8,185)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ (8,185)	
<i>Adjustments to Revenues</i>			<u>8,185</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
East Mountain High School
Schedule of Budgetary Comparisons - Budgetary Basis
Rural Education Achievement 25233
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ -	37,355	24,455	(12,900)
Total Revenues	<u>-</u>	<u>37,355</u>	<u>24,455</u>	<u>(12,900)</u>
EXPENDITURES				
Current:				
Instruction	-	34,655	22,414	12,241
Support Services:				
Students	-	2,700	2,041	659
Total Expenditures	<u>-</u>	<u>37,355</u>	<u>24,455</u>	<u>12,900</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>29</u>	<u>29</u>	<u>29</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ 29</u>	<u>29</u>	<u>29</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 East Mountain High School
 Schedule of Budgetary Comparisons - Budgetary Basis
 CNM Foundation 26207
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Local & County Grant	\$ -	750	750	-
Total Revenues	<u>-</u>	<u>750</u>	<u>750</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	-	650	650	-
Support Services:				
Students	-	100	100	-
Total Expenditures	<u>-</u>	<u>750</u>	<u>750</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 East Mountain High School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Dual Credit Instructional Materials 27103
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	10,558	14,258	3,700
Total Revenues	<u>-</u>	<u>10,558</u>	<u>14,258</u>	<u>3,700</u>
EXPENDITURES				
Current:				
Instruction	-	10,558	10,558	-
Total Expenditures	<u>-</u>	<u>10,558</u>	<u>10,558</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>3,700</u>	<u>3,700</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>3,700</u>	<u>3,700</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>3,700</u>	<u>3,700</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 3,700	
Adjustments to revenues			<u>(3,700)</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
East Mountain High School
Schedule of Budgetary Comparisons - Budgetary Basis
Robotics 2013 27116
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 19,357	19,357	-	(19,357)
Total Revenues	<u>19,357</u>	<u>19,357</u>	<u>-</u>	<u>(19,357)</u>
EXPENDITURES				
Current:				
Instruction	19,357	19,357	19,356	1
Total Expenditures	<u>19,357</u>	<u>19,357</u>	<u>19,356</u>	<u>1</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(19,356)</u>	<u>(19,356)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(19,356)</u>	<u>(19,356)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(19,356)</u>	<u>(19,356)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (19,356)	
Adjustments to revenues			<u>19,356</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 East Mountain High School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Teacher & School Leader Incentive Pay Individual 27188
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	72,975	-	(72,975)
Total Revenues	<u>-</u>	<u>72,975</u>	<u>-</u>	<u>(72,975)</u>
EXPENDITURES				
Current:				
Instruction	-	67,665	67,665	-
Support Services:				
School Administration	-	5,310	5,310	-
Total Expenditures	<u>-</u>	<u>72,975</u>	<u>72,975</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(72,975)</u>	<u>(72,975)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(72,975)</u>	<u>(72,975)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(72,975)</u>	<u>(72,975)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (72,975)	
Adjustments to revenues			72,975	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
East Mountain High School
Schedule of Budgetary Comparisons - Budgetary Basis
Teacher & School Leader Incentive Pay Group 27190
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	28,500	-	(28,500)
Total Revenues	<u>-</u>	<u>28,500</u>	<u>-</u>	<u>(28,500)</u>
EXPENDITURES				
Current:				
Instruction	-	18,755	18,755	-
Support Services:				
Students	-	2,234	2,234	-
Instruction	-	765	765	-
General Administration	-	2,235	2,235	-
School Administration	-	1,469	1,469	-
Central Services	-	1,517	1,517	-
Operation & Maintenance of Plant	-	1,525	1,525	-
Total Expenditures	<u>-</u>	<u>28,500</u>	<u>28,500</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(28,500)</u>	<u>(28,500)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(28,500)</u>	<u>(28,500)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(28,500)</u>	<u>(28,500)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (28,500)	
Adjustments to revenues			28,500	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 East Mountain High School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Early Warning System/Early Intervention Grant 27191
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ -	3,000	2,608	(392)
Total Revenues	<u>-</u>	<u>3,000</u>	<u>2,608</u>	<u>(392)</u>
EXPENDITURES				
Current:				
Instruction	-	202	202	-
Support Services:				
Students	-	2,798	2,406	392
Total Expenditures	<u>-</u>	<u>3,000</u>	<u>2,608</u>	<u>392</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
East Mountain High School
Schedule of Budgetary Comparisons - Budgetary Basis
Private Direct Grants Categorical 29102
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
<i>Total Revenues</i>	\$ -	-	-	-
EXPENDITURES				
Current:				
Instruction	-	3,736	620	3,116
<i>Total Expenditures</i>	-	3,736	620	3,116
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	(3,736)	(620)	3,116
Net Changes in Fund Balances	-	(3,736)	(620)	3,116
Cash or Fund Balances - Beginning of Year	3,736	3,736	3,736	-
Cash or Fund Balances - End of Year	\$ 3,736	-	3,116	3,116
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (620)	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ (620)	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 East Mountain High School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Public School Capital Outlay 31200
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	271,192	271,192	-
Total Revenues	<u>-</u>	<u>271,192</u>	<u>271,192</u>	<u>-</u>
EXPENDITURES				
Capital Outlay	-	271,192	271,192	-
Total Expenditures	<u>-</u>	<u>271,192</u>	<u>271,192</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 East Mountain High School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Special Capital Outlay State 31400
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 25,000	25,000	-	(25,000)
Total Revenues	<u>25,000</u>	<u>25,000</u>	<u>-</u>	<u>(25,000)</u>
EXPENDITURES				
Current:				
Capital Outlay	25,000	25,000	14,767	10,233
Total Expenditures	<u>25,000</u>	<u>25,000</u>	<u>14,767</u>	<u>10,233</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(14,767)	(14,767)
Net Changes in Fund Balances	-	-	(14,767)	(14,767)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(14,767)</u>	<u>(14,767)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (14,767)	
Adjustments to Revenues			<u>14,767</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 East Mountain High School
 Schedule of Budgetary Comparisons - Budgetary Basis
 HB-33 Capital Improvements 31600
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Property Taxes	\$ 160,000	160,000	218,322	58,322
Total Revenues	<u>160,000</u>	<u>160,000</u>	<u>218,322</u>	<u>58,322</u>
EXPENDITURES				
Capital Outlay	199,158	252,045	156,783	95,262
Total Expenditures	<u>199,158</u>	<u>252,045</u>	<u>156,783</u>	<u>95,262</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(39,158)</u>	<u>(92,045)</u>	<u>61,539</u>	<u>153,584</u>
Net Changes in Fund Balances	<u>(39,158)</u>	<u>(92,045)</u>	<u>61,539</u>	<u>153,584</u>
Cash or Fund Balances - Beginning of Year	<u>92,045</u>	<u>92,045</u>	<u>92,045</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ 52,887</u>	<u>-</u>	<u>153,584</u>	<u>153,584</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 61,539	
Adjustments to Revenues			<u>334</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 61,873</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
East Mountain High School
Schedule of Budgetary Comparisons - Budgetary Basis
SB-9 Capital Improvements 31700
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Property Taxes	\$ 105,000	105,000	107,867	2,867
State Grant	-	8,526	-	(8,526)
Total Revenues	<u>105,000</u>	<u>113,526</u>	<u>107,867</u>	<u>(5,659)</u>
EXPENDITURES				
Capital Outlay	128,934	172,446	63,994	108,452
Total Expenditures	<u>128,934</u>	<u>172,446</u>	<u>63,994</u>	<u>108,452</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(23,934)</u>	<u>(58,920)</u>	<u>43,873</u>	<u>102,793</u>
Net Changes in Fund Balances	<u>(23,934)</u>	<u>(58,920)</u>	<u>43,873</u>	<u>102,793</u>
Cash or Fund Balances - Beginning of Year	<u>58,920</u>	<u>58,920</u>	<u>58,920</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ 34,986</u>	<u>-</u>	<u>102,793</u>	<u>102,793</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 43,873	
Adjustments to Revenues			<u>245</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 44,118</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 East Mountain High School
 Schedule of Collateral Pledged by Depository for Public Funds
 June 30, 2015

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2015</u>
Bank of the West	FNMA	3138MAKS6	9/1/2042	\$ 822,239
				<u>\$ 822,239</u>

Total Cash per Schedule of Cash Accounts:	\$ 1,371,937
Less: FDIC coverage:	<u>(250,000)</u>
Uninsured Public Funds:	1,121,937
Collateral Requirement:	560,969
Pledged Collateral Held by Pledging Financial Institution:	<u>822,239</u>
Balance Over Collateralized:	<u>\$ 261,270</u>
Balance Uninsured and Uncollateralized at June 30, 2015:	<u>\$ 299,698</u>

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STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 East Mountain High School
 Schedule of Cash Accounts
 June 30, 2015

<u>Bank Account Type</u>	
Checking - Operational Account	\$ 773,036
Checking - Foundation	<u>598,901</u>
Total on Deposit	1,371,937
Reconciling Items	<u>(109,364)</u>
Reconciled Balance June 30, 2015	<u>1,262,573</u>
Less Agency Funds	<u>(25,921)</u>
Total Cash	<u><u>\$ 1,236,652</u></u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
East Mountain High School
Cash Reconciliation
June 30, 2015

	Operational 11000	Instructional Materials 14000	Non-Inst. Fund 23000	Federal Projects Account 24000	Federal Direct Fund 25000
Cash, June 30, 2014	\$ 273,861	11,512	19,522	-	29
Add:					
2014-15 revenues	<u>2,958,214</u>	<u>26,405</u>	<u>32,024</u>	<u>83,170</u>	<u>24,455</u>
Total Cash Available	3,232,075	37,917	51,546	83,170	24,484
Less:					
2014-15 expenditures	(2,805,716)	(15,249)	(25,625)	(96,666)	(24,455)
Receivables/Payables	139,847	-	-	(30,989)	19
Outstanding Loans	<u>(181,206)</u>	<u>-</u>	<u>-</u>	<u>44,485</u>	<u>-</u>
Cash June 30, 2015	<u>385,000</u>	<u>22,668</u>	<u>25,921</u>	<u>-</u>	<u>48</u>
Fund Balance Reconciliations to GAAP Basis:	-	-	-	-	-
Cash Per Books	<u>385,000</u>	<u>22,668</u>	<u>25,921</u>	<u>-</u>	<u>48</u>
Fund Balance Reconciliation to GAAP Basis:					
Modified Accrual Adjustments	<u>55,377</u>	<u>-</u>	<u>(25,921)</u>	<u>-</u>	<u>(48)</u>
Fund Balance, Modified Accrual Basis	<u>\$ 440,377</u>	<u>22,668</u>	<u>-</u>	<u>-</u>	<u>-</u>

Local Grants Fund 26000	State Account 27000	Local or State Fund 29000	Public School Capital Outlay 31200	Special Capital Outlay State 31400	HB-33 Capital Improvements 31600	SB-9 Capital Improvements 31700	Total
	-	3,736	-	-	92,045	58,920	459,625
83,170	51,214		271,192	-	218,323	107,867	3,856,034
83,170	51,214	3,736	271,192	-	310,368	166,787	4,315,659
(96,666)	(133,985)	(620)	(271,192)	(14,767)	(156,784)	(63,994)	(3,705,719)
(30,989)	(39,170)	-	-	-	-	-	38,718
44,485	121,952	-	-	14,767	-	-	44,483
-	11	3,116	-	-	153,584	102,793	693,141
-	-	-	-	-	-	-	-
-	11	3,116	-	-	153,584	102,793	693,141
Less: Activity Funds Per Schedule of Changes in Assets and Liabilities- Agency Fund:							(25,921)
Balance Sheet-Foundation:							569,432
							<u>\$ 1,236,652</u>
-	(11)	-	-	-	3,855	1,676	34,928
-	-	3,116	-	-	157,439	104,469	728,069
Add: Foundation:							569,432
Balance Sheets - Governmental Funds:							<u>\$ 1,297,501</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Estancia Valley Classical Academy
Statement of Net Position
June 30, 2015

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 277,869
Receivables	
Due from Other Governments	116,943
Other Receivables	50,004
Deposits	38,118
Total Current Assets	<u>482,934</u>

Noncurrent Assets:

Capital Assets	
Construction-in-process	24,356
Leasehold Improvements	728,663
Furniture, Fixtures, and Equipment	34,799
Less: Accumulated Depreciation	(386,068)
Total Noncurrent Assets	<u>401,750</u>
Total Assets	<u>884,684</u>

Deferred Outflows - Pension Related	<u>771,489</u>
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LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accounts Payable	66,634
Accrued Liabilities	188,065
Current Portion of Long-term Debt	62,821
Total Current Liabilities	<u>317,520</u>

Noncurrent Liabilities:

Long-term Debt	84,547
Net Pension Liability	2,797,511
Total Noncurrent Liabilities	<u>2,882,058</u>
Total Liabilities	<u>3,199,578</u>

Deferred Inflows - Pension Related	<u>295,991</u>
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NET POSITION

Net Investment in Capital Assets	254,382
Restricted	143,646
Unrestricted (deficit)	(2,237,424)
Total Net Position	<u>\$ (1,839,396)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Estancia Valley Classical Academy
Statement of Activities
For The Year Ended June 30, 2015

Functions/Programs	Program Revenues			Net (Expenses) Revenues and Changes in Net Position	
	Expenses	Charges for Service	Operating Grants and Contributions		Capital Grants and Contributions
Governmental activities:					
Instruction	\$ 1,777,058	-	176,184	-	(1,600,874)
Support Services:					
Students	196,134	-	-	-	(196,134)
Instruction	4,721	-	-	-	(4,721)
General Administration	18,587	-	-	-	(18,587)
School Administration	254,137	-	-	-	(254,137)
Central Services	69,267	-	-	-	(69,267)
Operation & Maintenance of Plant	640,247	-	-	-	(640,247)
Interest on Long-term Debt	14,116	-	-	-	(14,116)
Facilities Materials, Supplies & Other Services	302,293	-	-	258,424	(43,869)
Total Governmental Activities	\$ 3,276,560	-	176,184	258,424	(2,841,952)
General Revenues:					
State Equalization Guarantee				\$ 2,587,866	
Miscellaneous				84,231	
Total General Revenues				<u>2,672,097</u>	
Change in Net Position					<u>(169,855)</u>
Net Position, Beginning				457,599	
Restatement Recognized by GASB 68				(2,127,140)	
Net Position, as Restated				<u>(1,669,541)</u>	
Net Position, Ending				\$ <u>(1,839,396)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Estancia Valley Classical Academy
Balance Sheets - Governmental Funds
June 30, 2015

	Operational 11000	Instructional Materials 14000	Title I IASA 24101	IDEA-B Entitlement 24106
ASSETS				
Cash and Cash Equivalents	\$ 169,662	5,528	-	-
Accounts Receivable				
Due from Government	-	-	21,935	45,449
Due from Other Funds	114,139	-	-	-
Other Receivables	-	-	-	-
Deposits	-	-	-	-
Total Assets	\$ 283,801	5,528	21,935	45,449
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 62,942	-	-	-
Accrued Expenditures	185,261	-	2,729	-
Deposit Payable	-	-	-	-
Due to Other Funds	-	-	19,206	45,449
Total Liabilities	248,203	-	21,935	45,449
Fund Balances				
Fund Balance:				
Nonspendable:				
Deposits	-	-	-	-
Restricted for:				
Instruction	-	5,528	-	-
Assigned to:				
Subsequent Years Expenditures and Other Programs	35,598	-	-	-
Unassigned	-	-	-	-
Total Fund Balance	35,598	5,528	-	-
Total Liabilities and Fund Balances	\$ 283,801	5,528	21,935	45,449

The accompanying notes are an integral part of these financial statements

IDEA-B Risk Pool 24120	Federal Charter School Planning 24146	Teacher Principal Training 24154	Literacy for Children at Risk 27107	Center for Teacher Excellence 27114	Robot Systems for Math Competition 27115
-	-	-	-	-	-
66	-	5,183	3,415	27,327	3,117
-	-	-	-	-	-
-	-	-	-	-	-
-	100,000	-	-	-	-
<u>66</u>	<u>100,000</u>	<u>5,183</u>	<u>3,415</u>	<u>27,327</u>	<u>3,117</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
66	-	5,183	3,415	27,327	3,117
<u>66</u>	<u>-</u>	<u>5,183</u>	<u>3,415</u>	<u>27,327</u>	<u>3,117</u>
-	100,000	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	100,000	-	-	-	-
<u>66</u>	<u>100,000</u>	<u>5,183</u>	<u>3,415</u>	<u>27,327</u>	<u>3,117</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Estancia Valley Classical Academy
Balance Sheets - Governmental Funds (Continued)
June 30, 2015

	STEM Teacher Initiative 27181	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Foundation	Total
ASSETS					
Cash and Cash Equivalents	\$ -	-	-	102,679	277,869
Accounts Receivable					
Due from Government	1,760	-	8,691	-	116,943
Due from Other Funds	-	-	-	-	114,139
Other Receivables	-	-	-	50,004	50,004
Deposits	-	-	-	38,118	138,118
Total Assets	<u>1,760</u>	<u>-</u>	<u>8,691</u>	<u>190,801</u>	<u>697,073</u>
LIABILITIES AND FUND BALANCES					
<i>Liabilities:</i>					
Accounts Payable	\$ -	-	-	3,692	66,634
Accrued Expenditures	75	-	-	-	188,065
Deposit Payable	-	-	-	100,000	100,000
Due to Other Funds	1,685	-	8,691	-	114,139
Total Liabilities	<u>1,760</u>	<u>-</u>	<u>8,691</u>	<u>103,692</u>	<u>468,838</u>
<i>Fund Balances</i>					
Fund Balance:					
Nonspendable:					
Deposits	-	-	-	38,118	138,118
Restricted for:					
Instruction	-	-	-	-	5,528
Assigned to:					
Subsequent Years Expenditures and Other Programs	-	-	-	-	35,598
Unassigned	-	-	-	48,991	48,991
Total Fund Balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>87,109</u>	<u>228,235</u>
Total Liabilities and Fund Balances	<u>\$ 1,760</u>	<u>-</u>	<u>8,691</u>	<u>190,801</u>	<u>697,073</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Estancia Valley Classical Academy
Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
June 30, 2015

Fund Balances - Total Governmental Funds **\$ 228,235**

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

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

Capital Assets	787,818	
Accumulated Depreciation	<u>(386,068)</u>	
		401,750

Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds.		771,489
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Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds.		(295,991)
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Long-term liabilities are not due in the current period and, therefore, are not reported in the funds.		(147,368)
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The net pension liability is not due and payable in the current period and, therefore, is not reported in the funds.		<u>(2,797,511)</u>
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Net Position-Total Governmental Activities		<u><u>\$ (1,839,396)</u></u>
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The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Estancia Valley Classical Academy
Statement of Revenues, Expenditures, and Changes In Fund Balances
Governmental Funds
For The Year Ended June 30, 2015

	Operational 11000	Instructional Materials 14000	Title I IASA 24101	IDEA-B Entitlement 24106
REVENUES				
Local & County Grant	\$ 1,555	-	-	-
State Grant	2,587,866	28,814	-	-
Federal Grant	-	-	21,935	52,140
Charges for Services	-	-	-	-
Miscellaneous Income	451	-	-	-
Total Revenues	<u>2,589,872</u>	<u>28,814</u>	<u>21,935</u>	<u>52,140</u>
EXPENDITURES				
Current:				
Instruction	1,499,573	29,008	21,935	5,259
Support Services:				
Students	135,612	-	-	46,881
Instruction	1,306	-	-	-
General Administration	18,587	-	-	-
School Administration	232,896	-	-	-
Central Services	69,267	-	-	-
Operation & Maintenance of Plant	626,812	-	-	-
Capital Outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total Expenditures	<u>2,584,053</u>	<u>29,008</u>	<u>21,935</u>	<u>52,140</u>
Net Changes in Fund Balances	<u>5,819</u>	<u>(194)</u>	<u>-</u>	<u>-</u>
Fund Balances - Beginning of Year	<u>29,779</u>	<u>5,722</u>	<u>-</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ 35,598</u>	<u>5,528</u>	<u>-</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements

IDEA-B Risk Pool 24120	Federal Charter School Planning 24146	Teacher Principal Training 24154	Literacy for Children at Risk 27107	Center for Teacher Excellence 27114	Robot Systems for Math Competition 27115
-	-	-	-	-	-
-	-	-	3,415	50,000	3,117
66	-	9,275	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>66</u>	<u>-</u>	<u>9,275</u>	<u>3,415</u>	<u>50,000</u>	<u>3,117</u>
66	-	9,275	-	50,000	3,117
-	-	-	-	-	-
-	-	-	3,415	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>66</u>	<u>-</u>	<u>9,275</u>	<u>3,415</u>	<u>50,000</u>	<u>3,117</u>
-	-	-	-	-	-
-	100,000	-	-	-	-
-	100,000	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Estancia Valley Classical Academy
Statement of Revenues, Expenditures, and Changes In Fund Balances - Continued
Governmental Funds
For The Year Ended June 30, 2015

	STEM Teacher Initiative 27181	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Foundation	Total
REVENUES					
Local & County Grant	\$ -	-	-	-	1,555
State Grant	5,867	249,733	8,691	-	2,937,503
Federal Grant	-	-	-	-	83,416
Charges for Services	-	-	-	665,949	665,949
Miscellaneous Income	-	-	-	83,780	84,231
Total Revenues	5,867	249,733	8,691	749,729	3,772,654
EXPENDITURES					
Current:					
Instruction	5,867	-	-	-	1,624,100
Support Services:					
Students	-	-	-	-	182,493
Instruction	-	-	-	-	4,721
General Administration	-	-	-	-	18,587
School Administration	-	-	-	-	232,896
Central Services	-	-	-	-	69,267
Operation & Maintenance of Plant	-	-	-	-	626,812
Capital Outlay	-	249,733	8,691	594,830	853,254
Debt service					
Principal	-	-	-	59,303	59,303
Interest	-	-	-	14,116	14,116
Total Expenditures	5,867	249,733	8,691	668,249	3,685,549
Net Changes in Fund Balances	-	-	-	81,480	87,105
Fund Balances - Beginning of Year	-	-	-	5,629	141,130
Fund Balances - End of Year	\$ -	-	-	87,109	228,235

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Estancia Valley Classical Academy
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2015

Net Change in Fund Balances-Total Governmental Funds		\$ 87,105
<p>Amounts reported for governmental activities in the Statement of Activities are different because:</p>		
Change in Compensated Absences		1,771
<p>Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the Statement of Net Position and allocated over their estimated useful lives as annual depreciation expenses in the Statement of Activities. This is the amount by which capital outlay exceeds depreciation for the period</p>		
Capital Outlays	45,512	
Depreciation Expense	<u>(168,673)</u>	
		(123,161)
<p>The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This is the amount of principal payments</p>		
		59,303
Changes in long-term liabilities		
Change in Net Pension Liability		<u>(194,873)</u>
Change in Net Position-Total Governmental Activities		<u>\$ (169,855)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Estancia Valley Classical Academy
 Statement of Fiduciary Assets and Liabilities- Agency Funds
 June 30, 2015

	<u>Agency</u>
ASSETS	
Cash in Bank	\$ 14,925
Total Assets	<u>\$ 14,925</u>
 LIABILITIES	
Deposits Held for Others	\$ 14,925
Total Liabilities	<u>\$ 14,925</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Estancia Valley Classical Academy
 Schedule of Changes in Assets and Liabilities - Agency Funds
 For The Year Ended June 30, 2015

	<u>Balance</u> <u>July 1, 2014</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2015</u>
ASSETS				
Cash in Bank	\$ 1,971	28,892	(15,938)	14,925
Total Assets	<u>\$ 1,971</u>	<u>28,892</u>	<u>(15,938)</u>	<u>14,925</u>
LIABILITIES				
Deposits Held for Others	\$ 1,971	28,892	(15,938)	14,925
Total Liabilities	<u>\$ 1,971</u>	<u>28,892</u>	<u>(15,938)</u>	<u>14,925</u>

The accompanying notes are an integral part of these financial statements

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Capital Assets. Capital assets purchased or acquired are 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. Estancia Valley Classical Academy's capitalization policy (i.e., the dollar value above which the asset acquisitions are added to the capital accounts) is \$5,000. Estancia Valley Classical Academy does not capitalize any interest with regard to its capital assets.

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

Furniture, Fixtures and Equipment	3-7 years
Leasehold Improvements	4-5 years

Capital assets for Estancia Valley Classical Academy are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB's Fiduciary Net Position have been determined on the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Estancia Valley Classical Academy
Notes to the Financial Statements
June 30, 2015

NOTE 2. CAPITAL ASSETS

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

	<u>Balance</u> <u>June 30, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2015</u>
<i>Capital Assets not being Depreciated:</i>				
Construction-in-process	\$ -	24,356	-	24,356
<i>Total</i>	-	24,356	-	24,356
<i>Capital Assets being Depreciated:</i>				
Furniture, Fixtures and Equipment	18,409	16,390	-	34,799
Leasehold Improvements	723,897	4,766	-	728,663
<i>Total</i>	742,306	21,156	-	763,462
<i>Less: Accumulated Depreciation</i>				
Furniture, Fixtures and Equipment	(3,579)	(8,173)	-	(11,752)
Leasehold Improvements	(213,816)	(160,500)	-	(374,316)
<i>Total</i>	(217,395)	(168,673)	-	(386,068)
Capital Assets, Net	\$ 524,911	(123,161)	-	401,750

Depreciation expensed for the year ended June 30, 2015 was expensed to the following functions:

Operations & Maintenance of Plant	\$ 8,173
Facilities, Materials, Supplies & Other Services	160,500
Total	<u>\$ 168,673</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Estancia Valley Classical Academy
 Notes to the Financial Statements
 June 30, 2015

NOTE 3. LONG-TERM DEBT

The Estancia Valley Classical Academy Foundation (Foundation) entered into two financing agreements to finance portions of the installation and delivery costs for modular buildings. The agreements were entered into on August 15, 2012 and October 15, 2013. Both agreements have an annual interest rate of 8%. The total notes payable as of June 30, 2015 are as follows:

Installation and Delivery Financing Agreement for Modular Buildings 1 and 2; Interest rate 8% due in monthly installments; Maturing August 1, 2017	\$ 102,320
Installation and Delivery Financing Agreement for Modular Building 3; Interest rate 8% due in monthly installments; Maturing August 1, 2017	45,048
Total notes payable	<u>\$ 147,368</u>

The aggregate amounts of principal maturities and interest of notes payable are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 62,821	8,695	71,516
2017	69,344	4,075	73,419
2018	15,203	153	15,356
Total	<u>\$ 147,368</u>	<u>12,923</u>	<u>160,291</u>

NOTE 4. COMMITMENTS AND LIABILITIES

The school leases various equipment and facilities under long-term cancelable operating leases. Rental expense for the year ended June 30, 2015 was \$628,446. The school's minimum future payments on these leases are as follows:

Year Ending June 30:	
2016	\$ 633,068
2017	633,068
2018	52,756
Total	<u>\$ 1,318,892</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Estancia Valley Classical Academy
 Notes to the Financial Statements
 June 30, 2015

NOTE 4. COMMITMENTS AND LIABILITIES - CONTINUED

The Estancia Valley Classical Academy Foundation (Foundation) approved operating leases for modular buildings on August 5, 2012 and August 19, 2013. The Foundation also entered into a land lease on July 20, 2012. The Foundation’s minimum future payments on the buildings and land leases are as follows:

Year Ending June 30:	
2016	\$ 458,328
2017	460,278
2018	42,794
Total	<u>\$ 961,400</u>

NOTE 5. RELATED PARTY TRANSACTIONS

The School has a Foundation which subleases the property to the school. The Foundation is considered a component unit of the School and is presented as a blended component unit.

NOTE 6. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to Estancia Valley Classical Academy and does not include general disclosure information pertaining to the New Mexico Educational Employees’ Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions. The contribution requirements of defined benefit plan members and Estancia Valley Classical Academy are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year ended June 30, 2014, employers contributed 13.15% of employees’ gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.10% of their gross annual salary. For fiscal year ended June 30, 2015 employers contributed 13.90% and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 contributed an increased amount of 10.70% of their gross annual salary. Contributions to the pension plan from Estancia Valley Classical Academy were \$197,961 for the year ended June 30, 2015.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Estancia Valley Classical Academy
Notes to the Financial Statements
June 30, 2015

NOTE 6. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD - CONTINUED

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2013. The total ERB pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2014, using generally accepted actuarial principles. Therefore, the employer’s portion was established as of the measurement date of June 30, 2014. At June 30, 2015, Estancia Valley Classical Academy reported a liability of \$2,797,511 for its proportionate share of the net pension liability. Estancia Valley Classical Academy’s proportion of the net pension liability is based on the employer contributing entity’s percentage of total employer contributions for the fiscal year ended June 30, 2014. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2014, Estancia Valley Classical Academy’s proportion was 0.04903%, which was an increase of 0.01231% from its proportion measured as of June 30, 2013.

For the year ended June 30, 2015, Estancia Valley Classical Academy recognized pension expense of \$392,834. At June 30, 2015, Estancia Valley Classical Academy reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	41,675
Net difference between projected and actual earnings on pension plan investments	-	254,316
Changes in proportion and differences between Estancia Valley Classical Academy contributions and proportionate share of contributions	573,528	-
Estancia Valley Classical Academy contributions subsequent to the measurement date	197,961	-
Total	\$ 771,489	295,991

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Estancia Valley Classical Academy
Notes to the Financial Statements
June 30, 2015

NOTE 6. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD - CONTINUED

The amount of \$197,961 reported as deferred outflows of resources related to pensions resulting from Estancia Valley Classical School contributions subsequent to the measurement date of June 30, 2014 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2016	\$ (121,095)
2017	(121,095)
2018	(98,934)
2019	<u>63,587</u>
Total	\$ <u>(277,537)</u>

Sensitivity of Estancia Valley Classical Academy’s proportionate share of the net pension liability to changes in the discount rate. The following table shows the sensitivity of the net pension liability to changes in the discount rate as of June 30, 2014. In particular, the table presents the (employer’s) net pension liability under the current single rate assumption, as if it were calculated using a discount rate one percentage point lower (6.75%) or one percentage point higher (8.75%) than the single discount rate.

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
The School’s proportionate share of the net pension liability	<u>\$ 3,806,338</u>	<u>2,797,511</u>	<u>1,954,943</u>

Payables to the pension plan. At June 30, 2015, Estancia Valley Classical Academy owed \$47,181 to ERB for fiscal year 2015 contributions.

NOTE 7. OVERSPENT BUDGET LINE ITEM

As stated in finding 2015-001, Estancia Valley Classical Academy had expenditures in excess of the budget in the following fund:

11000 Operational (Instruction)	\$ 3,394
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**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Estancia Valley Classical Academy
Notes to the Financial Statements
June 30, 2015**

NOTE 8. RESTATEMENT

As a result of implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, net position at June 30, 2014 was restated in the amount of \$(2,127,140).

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
ESTANCIA VALLEY CLASSICAL ACADEMY
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2015

**New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data***
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.05%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 2,798	-	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 1,351	-	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	206.99%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30, 2014

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
ESTANCIA VALLEY CLASSICAL ACADEMY
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2015

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 178	-	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	178	-	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ -	-	-	-	-	-	-	-	-	-

Year	Total Amount Deferred	Amortization Years	Increase (Decrease) in Pension Expense over Recognition Periods											
			2015	2016	2017	2018	2019	2020	2021	2022	2023	2024		
2014	\$ (278)	5	\$ (121)	(121)	(121)	(99)	63	-	-	-	-	-	-	-
2015	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2016	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2017	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2018	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2019	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2020	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2021	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2022	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2023	-	5	-	-	-	-	-	-	-	-	-	-	-	-
	\$ (278)		\$ (121)	(121)	(99)	63	-	-	-	-	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Estancia Valley Classical Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Local & County Grant	\$ -	-	1,555	1,555
State Grant	2,184,435	2,587,865	2,587,866	1
Miscellaneous Income	-	-	451	451
Total Revenues	<u>2,184,435</u>	<u>2,587,865</u>	<u>2,589,872</u>	<u>2,007</u>
EXPENDITURES				
Current:				
Instruction	1,324,959	1,495,304	1,498,698	(3,394)
Support Services:				
Students	136,809	155,278	139,539	15,739
Instruction	-	1,244	1,244	-
General Administration	18,500	22,521	18,587	3,934
School Administration	109,822	228,080	233,064	(4,984)
Central Services	64,200	73,586	69,267	4,319
Operation & Maintenance of Plant	530,145	647,415	566,497	80,918
Total Expenditures	<u>2,184,435</u>	<u>2,623,428</u>	<u>2,526,896</u>	<u>96,532</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	-	(35,563)	62,976	98,539
Other Financing Sources (Uses):				
Designated Cash	-	35,563	-	(35,563)
Total Other Financing Sources (Uses):	<u>-</u>	<u>35,563</u>	<u>-</u>	<u>(35,563)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>62,976</u>	<u>62,976</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>29,779</u>	<u>29,779</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>92,755</u>	<u>92,755</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ 62,976	
Adjustments to Revenues			-	
Adjustments to Expenditures			(57,157)	
NET CHANGE IN FUND BALANCE			<u>\$ 5,819</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Estancia Valley Classical Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 17,538	34,335	28,814	(5,521)
Total Revenues	<u>17,538</u>	<u>34,335</u>	<u>28,814</u>	<u>(5,521)</u>
EXPENDITURES				
Current:				
Instruction	17,538	40,057	29,008	11,049
Total Expenditures	<u>17,538</u>	<u>40,057</u>	<u>29,008</u>	<u>11,049</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>(5,722)</u>	<u>(194)</u>	<u>5,528</u>
Other Financing Sources (Uses):				
Designated Cash	-	5,722	-	(5,722)
Total Other Financing Sources (Uses):	<u>-</u>	<u>5,722</u>	<u>-</u>	<u>(5,722)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(194)</u>	<u>(194)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>5,722</u>	<u>5,722</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>5,528</u>	<u>5,528</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (194)	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (194)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Estancia Valley Classical Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Title I IASA 24101
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 33,550	33,550	-	(33,550)
Total Revenues	<u>33,550</u>	<u>33,550</u>	<u>-</u>	<u>(33,550)</u>
EXPENDITURES				
Current:				
Instruction	33,550	33,550	21,935	11,615
Total Expenditures	<u>33,550</u>	<u>33,550</u>	<u>21,935</u>	<u>11,615</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(21,935)</u>	<u>(21,935)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(21,935)</u>	<u>(21,935)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances (Deficit) - End of Year	<u>\$ -</u>	<u>-</u>	<u>(21,935)</u>	<u>(21,935)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (21,935)	
Adjustments to Revenues			21,935	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Estancia Valley Classical Academy
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Entitlement 24106
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 46,881	52,140	35,476	(16,664)
Total Revenues	<u>46,881</u>	<u>52,140</u>	<u>35,476</u>	<u>(16,664)</u>
EXPENDITURES				
Current:				
Instruction	-	5,259	5,259	-
Support Services:				
Students	46,881	46,881	46,881	-
Total Expenditures	<u>46,881</u>	<u>52,140</u>	<u>52,140</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(16,664)</u>	<u>(16,664)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(16,664)</u>	<u>(16,664)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances (Deficit) - End of Year	<u>\$ -</u>	<u>-</u>	<u>(16,664)</u>	<u>(16,664)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (16,664)	
Adjustments to Revenues			16,664	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Estancia Valley Classical Academy
 Schedule of Budgetary Comparisons - Budgetary Basis
 IDEA-B Risk Pool 24120
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ -	66	-	(66)
Charges for Services	-	-	-	-
Total Revenues	<u>-</u>	<u>66</u>	<u>-</u>	<u>(66)</u>
EXPENDITURES				
Current:				
Instruction	-	66	66	-
Total Expenditures	<u>-</u>	<u>66</u>	<u>66</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(66)	(66)
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(66)</u>	<u>(66)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances (Deficit) - End of Year	<u>\$ -</u>	<u>-</u>	<u>(66)</u>	<u>(66)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (66)	
Adjustments to Revenues			66	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Estancia Valley Classical Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Federal Charter School Planning 24146
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ -	-	1,673	1,673
Total Revenues	<u>-</u>	<u>-</u>	<u>1,673</u>	<u>1,673</u>
EXPENDITURES				
Current:				
Instruction	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	1,673	1,673
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>1,673</u>	<u>1,673</u>
Cash or Fund Balances - Beginning of Year	-	-	100,000	100,000
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>101,673</u>	<u>101,673</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 1,673	
Adjustments to Revenues			(1,673)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Estancia Valley Classical Academy
 Schedule of Budgetary Comparisons - Budgetary Basis
 Teacher Principal Training 24154
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 8,965	13,561	4,092	(9,469)
Total Revenues	<u>8,965</u>	<u>13,561</u>	<u>4,092</u>	<u>(9,469)</u>
EXPENDITURES				
Current:				
Instruction	8,965	13,561	9,275	4,286
Total expenditures	<u>8,965</u>	<u>13,561</u>	<u>9,275</u>	<u>4,286</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(5,183)</u>	<u>(5,183)</u>
Net changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(5,183)</u>	<u>(5,183)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances (Deficit) - End of Year	<u>\$ -</u>	<u>-</u>	<u>(5,183)</u>	<u>(5,183)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (5,183)	
Adjustments to Revenues			5,183	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Estancia Valley Classical Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Literacy for Children at Risk 27107
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 3,415	3,415	-	(3,415)
Total Revenues	<u>3,415</u>	<u>3,415</u>	<u>-</u>	<u>(3,415)</u>
EXPENDITURES				
Current:				
Support Services:				
Instruction	3,415	3,415	3,415	-
Total Expenditures	<u>3,415</u>	<u>3,415</u>	<u>3,415</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(3,415)	(3,415)
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(3,415)</u>	<u>(3,415)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(3,415)</u>	<u>(3,415)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (3,415)	
Adjustments to revenues			3,415	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Estancia Valley Classical Academy
 Schedule of Budgetary Comparisons - Budgetary Basis
 Center for Teacher Excellence 27114
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 50,000	50,000	50,067	67
Total Revenues	<u>50,000</u>	<u>50,000</u>	<u>50,067</u>	<u>67</u>
EXPENDITURES				
Current:				
Instruction	50,000	50,000	50,000	-
Total Expenditures	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	-	-	67	67
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>67</u>	<u>67</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>67</u>	<u>67</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ 67	
Adjustments to Revenues			(67)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Estancia Valley Classical Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Robot Systems for Math Competition 27115
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	3,117	-	(3,117)
Total Revenues	<u>-</u>	<u>3,117</u>	<u>-</u>	<u>(3,117)</u>
EXPENDITURES				
Current:				
Instruction	-	3,117	3,117	-
Total Expenditures	<u>-</u>	<u>3,117</u>	<u>3,117</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(3,117)</u>	<u>(3,117)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(3,117)</u>	<u>(3,117)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(3,117)</u>	<u>(3,117)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (3,117)	
Adjustments to Revenues			3,117	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Estancia Valley Classical Academy
 Schedule of Budgetary Comparisons - Budgetary Basis
 STEM Teacher Initiative 27181
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	6,075	9,107	3,032
Total Revenues	<u>-</u>	<u>6,075</u>	<u>9,107</u>	<u>3,032</u>
EXPENDITURES				
Current:				
Instruction	-	6,075	5,867	208
Total Expenditures	<u>-</u>	<u>6,075</u>	<u>5,867</u>	<u>208</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>3,240</u>	<u>3,240</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>3,240</u>	<u>3,240</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances (Deficit) - End of Year	<u>\$ -</u>	<u>-</u>	<u>3,240</u>	<u>3,240</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 3,240	
Adjustments to Revenues			(3,240)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Estancia Valley Classical Academy
 Schedule of Budgetary Comparisons - Budgetary Basis
 Public School Capital Outlay 31200
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	249,733	249,733	-
Total Revenues	<u>-</u>	<u>249,733</u>	<u>249,733</u>	<u>-</u>
EXPENDITURES				
Capital Outlay	-	249,733	249,733	-
Total Expenditures	<u>-</u>	<u>249,733</u>	<u>249,733</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Estancia Valley Classical Academy
 Schedule of Budgetary Comparisons - Budgetary Basis
 SB-9 Capital Improvements 31700
 For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	8,691	6,230	(2,461)
Total Revenues	<u>-</u>	<u>8,691</u>	<u>6,230</u>	<u>(2,461)</u>
EXPENDITURES				
Capital Outlay	-	8,691	8,691	-
Total Expenditures	<u>-</u>	<u>8,691</u>	<u>8,691</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(2,461)</u>	<u>(2,461)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(2,461)</u>	<u>(2,461)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(2,461)</u>	<u>(2,461)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (2,461)	
Adjustments to Revenues			2,461	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Estancia Valley Classical Academy
Schedule of Collateral Pledged by Depository for Public Funds
June 30, 2015

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2015</u>
US Bank	FHLMC Gold Pool E01641	31294KZE8	5/1/2019	\$ 15,200
US Bank	FHLMC Gold Remic 4193 AP	3137B1H21	4/15/2043	107,266
				<u>\$ 122,466</u>

Total Cash in Bank for the School per Schedule of Cash Accounts: \$ 257,121
Less: FDIC coverage: (250,000)
Uninsured Public Funds: 7,121

Collateral Requirement: 3,561
Pledged Collateral Held by Pledging Financial Institution: 122,466

Balance Over Collateralized: \$ 118,905

School Balance Uninsured and Uncollateralized at June 30, 2015: \$ -

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Estancia Valley Classical Academy
 Schedule of Cash Accounts
 June 30, 2015

<u>Bank Account Type</u>	<u>US Bank</u>
Checking - Operational Account	\$ 242,196
Checking - Activity Account	14,925
Checking - Foundation	<u>164,242</u>
Total on Deposit	421,363
Reconciling Items	<u>(128,569)</u>
Reconciled Balance June 30, 2015	<u>292,794</u>
Less Agency Funds	<u>(14,925)</u>
Total Cash	<u><u>\$ 277,869</u></u>

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Estancia Valley Classical Academy
Cash Reconciliation
June 30, 2015

	Operational 11000	Instructional Materials 14000	Non-Instruct. Fund 23000	Federal Projects Account 24000
Cash, June 30, 2014	\$ 113,371	5,722	1,971	1,454
Add:				
2014-15 revenues	<u>2,589,872</u>	<u>28,814</u>	<u>28,892</u>	<u>41,241</u>
Total Cash Available	2,703,243	34,536	30,863	42,695
Less:				
2014-15 expenditures	(2,526,896)	(29,008)	(15,938)	(83,416)
Receivables/Payables	28,007	-	-	1,275
Outstanding Loans	<u>(34,692)</u>	<u>-</u>	<u>-</u>	<u>39,446</u>
Cash June 30, 2015	<u>169,662</u>	<u>5,528</u>	<u>14,925</u>	<u>-</u>
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	-	-	-	-
Cash Per Books	<u>169,662</u>	<u>5,528</u>	<u>14,925</u>	<u>-</u>
Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	<u>(134,064)</u>	<u>-</u>	<u>(14,925)</u>	<u>100,000</u>
Fund Balance, Modified Accrual Basis	<u>\$ 35,598</u>	<u>5,528</u>	<u>-</u>	<u>100,000</u>

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

State Account <u>27000</u>	Public School Capital Outlay <u>31200</u>	SB-9 Capital Improvements <u>31700</u>	<u>Total</u>
-	-	-	122,518
<u>59,174</u>	<u>249,733</u>	<u>6,230</u>	<u>3,003,956</u>
59,174	249,733	6,230	3,126,474
(62,399)	(249,733)	(8,691)	(2,976,081)
10,440	-	-	39,722
<u>(7,215)</u>	<u>-</u>	<u>2,461</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>190,115</u>
-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>190,115</u>
	Less - Agency Fund:		(14,925)
	Balance Sheet-Foundation:		<u>102,679</u>
			<u>\$ 277,869</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>(48,989)</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>141,126</u>
	Add: Foundation:		<u>87,109</u>
			<u>\$ 228,235</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Explore Academy
 Statement of Net Position
 June 30, 2015

ASSETS

Current Assets:

Cash and Cash Equivalents	\$ 58,361
Receivables	
Due from Other Governments	46,282
Total Current Assets	<u>104,643</u>
Total Assets	<u>104,643</u>

LIABILITIES

Current Liabilities:

Accounts Payable	33,065
Accrued Liabilities	174,655
Compensated Absences	29,666
Total Current Liabilities	<u>237,386</u>
Total Liabilities	<u>237,386</u>

NET POSITION

Restricted	9,921
Unrestricted	<u>(142,664)</u>
Total Net Position	<u><u>\$ (132,743)</u></u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Explore Academy
Statement of Activities
For The Year Ended June 30, 2015

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 1,020,826	17,540	200,695	-	(802,591)
Support Services:					
Students	88,077	-	-	-	(88,077)
Instruction	1,787	-	-	-	(1,787)
General Administration	75,559	-	-	-	(75,559)
School Administration	196,783	-	-	-	(196,783)
Central Services	163,705	-	-	-	(163,705)
Operation & Maintenance of Plant	182,875	-	-	-	(182,875)
Student Transportation	106,347	-	-	-	(106,347)
Food Services	40,215	6,713	-	-	(33,502)
Facilities, Materials, Supplies & Other Services	184,988	-	-	184,988	-
Total Governmental Activities	\$ 2,061,162	24,253	200,695	184,988	(1,651,226)
General Revenues:					
State Equalization Guarantee					\$ 1,518,483
Total General Revenues					<u>1,518,483</u>
Change in Net Position					(132,743)
Net Position- Beginning					<u>-</u>
Net position, Ending					<u>\$ (132,743)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Explore Academy
Balance Sheets - Governmental Funds
June 30, 2015

	Operational 11000	Pupil Transportation 13000	Instructional Materials 14000	Food Services 21000
ASSETS				
Cash and Cash Equivalents	\$ 30,430	10,082	9,007	-
Accounts Receivable				
Due from Government	-	-	-	-
Due from Other Funds	46,282	-	-	-
Total Assets	\$ 76,712	10,082	9,007	-
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 23,897	9,168	-	-
Accrued Expenditures	165,813	-	-	-
Due to Other Funds	-	-	-	-
Total Liabilities	189,710	9,168	-	-
Fund Balances (Deficit)				
Fund Balance:				
Restricted for:				
Instruction	-	-	9,007	-
Student Transportation	-	914	-	-
Unassigned (Deficit)	(112,998)	-	-	-
Total Fund Balance (Deficit)	(112,998)	914	9,007	-
Total Liabilities and Fund Balances (Deficit)	\$ 76,712	10,082	9,007	-

The accompanying notes are an integral part of these financial statements

Title I IASA 24101	IDEA-B Entitlement 24106	IDEA-B Risk Pool 24120	Training & Recruiting 24154	Golden Apple Foundation 26163	Public School Capital Outlay 31200	Total Government
8,842	-	-	-	-	-	58,361
-	-	35	-	-	46,247	46,282
-	-	-	-	-	-	46,282
<u>8,842</u>	<u>-</u>	<u>35</u>	<u>-</u>	<u>-</u>	<u>46,247</u>	<u>150,925</u>
-	-	-	-	-	-	33,065
8,842	-	-	-	-	-	174,655
-	-	35	-	-	46,247	46,282
<u>8,842</u>	<u>-</u>	<u>35</u>	<u>-</u>	<u>-</u>	<u>46,247</u>	<u>254,002</u>
-	-	-	-	-	-	9,007
-	-	-	-	-	-	914
-	-	-	-	-	-	(112,998)
-	-	-	-	-	-	(103,077)
<u>8,842</u>	<u>-</u>	<u>35</u>	<u>-</u>	<u>-</u>	<u>46,247</u>	<u>150,925</u>

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STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Explore Academy
Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
June 30, 2015

Fund Balance (Deficit) - Total Governmental Funds **\$ (103,077)**

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

Long-term liabilities are not due in the current period and,
 therefore, are not reported in the funds.

Compensated Absences

<u>(29,666)</u>	<u>(29,666)</u>
-----------------	-----------------

Net Position-Total Governmental Activities	<u><u>\$ (132,743)</u></u>
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The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Explore Academy
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit)
Governmental Funds
For The Year Ended June 30, 2015

	Operational 11000	Pupil Transportation 13000	Instructional Materials 14000	Food Services 21000
REVENUES				
State Grant	\$ 1,518,483	107,261	10,601	-
Federal Grant	-	-	-	16,005
Charges for Services	14,540	-	-	6,713
Total Revenues	<u>1,533,023</u>	<u>107,261</u>	<u>10,601</u>	<u>22,718</u>
EXPENDITURES				
Current:				
Instruction	926,403	-	1,594	-
Support Services:				
Students	81,412	-	-	-
Instruction	1,787	-	-	-
General Administration	75,559	-	-	-
School Administration	196,783	-	-	-
Central Services	163,705	-	-	-
Operation & Maintenance of Plant	182,875	-	-	-
Student Transportation	-	106,347	-	-
Food Services Operations	17,497	-	-	22,718
Capital Outlay	-	-	-	-
Total Expenditures	<u>1,646,021</u>	<u>106,347</u>	<u>1,594</u>	<u>22,718</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(112,998)</u>	<u>914</u>	<u>9,007</u>	<u>-</u>
Net Changes in Fund Balances	<u>(112,998)</u>	<u>914</u>	<u>9,007</u>	<u>-</u>
Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances (Deficit) - End of Year	<u>\$ (112,998)</u>	<u>914</u>	<u>9,007</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements

Title I IASA 24101	IDEA-B Entitlement 24106	IDEA-B Risk Pool 24120	Training & Recruiting 24154	Golden Apple Foundation 26163	Public School Capital Outlay 31200	Total Government
-	-	-	-	-	184,988	1,821,333
35,025	31,768	35	-	-	-	82,833
-	-	-	-	3,000	-	24,253
<u>35,025</u>	<u>31,768</u>	<u>35</u>	<u>-</u>	<u>3,000</u>	<u>184,988</u>	<u>1,928,419</u>
35,025	25,138	-	-	3,000	-	991,160
-	6,630	35	-	-	-	88,077
-	-	-	-	-	-	1,787
-	-	-	-	-	-	75,559
-	-	-	-	-	-	196,783
-	-	-	-	-	-	163,705
-	-	-	-	-	-	182,875
-	-	-	-	-	-	106,347
-	-	-	-	-	-	40,215
-	-	-	-	-	184,988	184,988
<u>35,025</u>	<u>31,768</u>	<u>35</u>	<u>-</u>	<u>3,000</u>	<u>184,988</u>	<u>2,031,496</u>
-	-	-	-	-	-	(103,077)
-	-	-	-	-	-	(103,077)
-	-	-	-	-	-	-
-	-	-	-	-	-	(103,077)

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Explore Academy
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances (Deficit) of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2015**

Net Change in Fund Balances-Total Governmental Funds \$ (103,077)

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

Change in Compensated Absences (29,666)

Change in Net Position-Total Governmental Activities \$ (132,743)

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Explore Academy
 Notes to the Financial Statements
 June 30, 2015

NOTE 1. COMMITMENTS AND LIABILITIES

A. Leases

The Explore Academy leased equipment and facilities under long-term cancelable operating leases. Rental expenses for the year ended June 30, 2015 was \$250,000. The Explore Academy minimum future payments on this lease are as follows:

Year Ending June 30:	
2016	\$ 400,000
Total	<u>\$ 400,000</u>

B. Compensated Absences

The Explore Academy had a zero compensated absences liability balance at the beginning of the fiscal year. Additions to the balance were \$29,666 which resulted in an ending balance of \$29,666. This balance is considered to be current.

NOTE 2. DEFICIT FUND BALANCE

The following fund had a deficit fund balance at June 30, 2015:

Operational - 11000	\$ 112,998
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The Explore Academy is addressing the negative fund balance and is planning on taking the appropriate actions to eliminate the negative balance.

NOTE 3. OVERSPENT BUDGET LINE ITEMS

Explore Academy has expended in excess of the budget in the following funds:

Operational 11000	
Operation of Non-instructional Services	\$ 17,497

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Explore Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 1,977,786	1,518,483	1,518,483	-
Charges for Services	-	15,000	14,540	(460)
Total Revenues	<u>1,977,786</u>	<u>1,533,483</u>	<u>1,533,023</u>	<u>(460)</u>
EXPENDITURES				
Current:				
Instruction	1,098,485	786,429	736,693	49,736
Support Services:				
Students	156,271	89,492	81,412	8,080
Instruction	-	-	1,787	(1,787)
General Administration	41,000	45,493	75,559	(30,066)
School Administration	286,560	187,944	196,783	(8,839)
Central Services	160,150	172,539	163,705	8,834
Operation & Maintenance of Plant	235,320	251,586	182,875	68,711
Food Services Operations	-	-	17,497	(17,497)
Total Expenditures	<u>1,977,786</u>	<u>1,533,483</u>	<u>1,456,311</u>	<u>77,172</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>76,712</u>	<u>76,712</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>76,712</u>	<u>76,712</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>76,712</u>	<u>76,712</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 76,712	
Adjustments to Revenues			-	
Adjustments to Expenditures			<u>(189,710)</u>	
NET CHANGE IN FUND BALANCE			<u>\$ (112,998)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Explore Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Pupil Transportation 13000
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 163,770	107,261	107,261	-
Total Revenues	<u>163,770</u>	<u>107,261</u>	<u>107,261</u>	<u>-</u>
EXPENDITURES				
Student Transportation	163,770	107,261	97,179	10,082
Total Expenditures	<u>163,770</u>	<u>107,261</u>	<u>97,179</u>	<u>10,082</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>10,082</u>	<u>10,082</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>10,082</u>	<u>10,082</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>10,082</u>	<u>10,082</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 10,082	
Adjustments to Revenues			-	
Adjustments to Expenditures			<u>(9,168)</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 914</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Explore Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	10,601	10,601	-
Total Revenues	<u>-</u>	<u>10,601</u>	<u>10,601</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	-	10,601	1,594	9,007
Total Expenditures	<u>-</u>	<u>10,601</u>	<u>1,594</u>	<u>9,007</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>9,007</u>	<u>9,007</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>9,007</u>	<u>9,007</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>9,007</u>	<u>9,007</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 9,007	
Adjustments to Revenues			-	
Adjustments to Expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 9,007</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Explore Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Food Services 21000
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ -	17,000	-	(17,000)
Charges for Services	-	6,000	-	(6,000)
Total Revenues	<u>-</u>	<u>23,000</u>	<u>-</u>	<u>(23,000)</u>
EXPENDITURES				
Current:				
Food Services Operations	-	23,000	-	23,000
Total Expenditures	<u>-</u>	<u>23,000</u>	<u>-</u>	<u>23,000</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Explore Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Title I IASA 24101
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 55,786	35,025	35,025	-
Total Revenues	<u>55,786</u>	<u>35,025</u>	<u>35,025</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	55,786	35,025	26,183	8,842
Total Expenditures	<u>55,786</u>	<u>35,025</u>	<u>26,183</u>	<u>8,842</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	8,842	8,842
Net Changes in Fund Balances	-	-	8,842	8,842
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>8,842</u>	<u>8,842</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 8,842	
Adjustments to Revenues			-	
Adjustments to Expenditures			(8,842)	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Explore Academy
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Entitlement 24106
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ -	31,768	31,768	-
Total Revenues	<u>-</u>	<u>31,768</u>	<u>31,768</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	-	25,138	25,138	-
Support Services:				
Students	-	6,630	6,630	-
Total Expenditures	<u>-</u>	<u>31,768</u>	<u>31,768</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Explore Academy
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Risk Pool 24120
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ -	35	-	(35)
Total Revenues	<u>-</u>	<u>35</u>	<u>-</u>	<u>(35)</u>
EXPENDITURES				
Current:				
Support Services:				
Students	-	35	35	-
Total Expenditures	<u>-</u>	<u>35</u>	<u>35</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(35)</u>	<u>(35)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(35)</u>	<u>(35)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(35)</u>	<u>(35)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (35)	
Adjustments to Revenues			35	
Adjustments to Expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Explore Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Training & Recruiting 24154
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 8,162	5,869	-	(5,869)
Total Revenues	<u>8,162</u>	<u>5,869</u>	<u>-</u>	<u>(5,869)</u>
EXPENDITURES				
Current:				
Instruction	8,162	5,869	-	5,869
Total expenditures	<u>8,162</u>	<u>5,869</u>	<u>-</u>	<u>5,869</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Explore Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Golden Apple Foundation 26163
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Charges for Services	\$ -	3,000	3,000	-
Total Revenues	<u>-</u>	<u>3,000</u>	<u>3,000</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	-	3,000	3,000	-
Total expenditures	<u>-</u>	<u>3,000</u>	<u>3,000</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Explore Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Public School Capital Outlay 31200
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	184,988	138,741	(46,247)
Total Revenues	<u>-</u>	<u>184,988</u>	<u>138,741</u>	<u>(46,247)</u>
EXPENDITURES				
Current:				
Capital Outlay	-	184,988	184,988	-
Total Expenditures	<u>-</u>	<u>184,988</u>	<u>184,988</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(46,247)</u>	<u>(46,247)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(46,247)</u>	<u>(46,247)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(46,247)</u>	<u>(46,247)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (46,247)	
Adjustments to Revenues			46,247	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Explore Academy
 Schedule of Collateral Pledged by Depository for Public Funds
 June 30, 2015

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2015</u>
N/A	N/A	N/A	N/A	\$ -
				\$ -
Total Cash per Schedule of Cash Accounts:				\$ 59,696
Less: FDIC coverage:				(59,696)
Uninsured Public Funds:				-
Collateral Requirement:				-
Pledged Collateral Held by Pledging Financial Institution:				-
Balance Over Collateralized:				\$ -
Balance Uninsured and Uncollateralized at June 30, 2015:				\$ -

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Explore Academy
 Schedule of Cash Accounts
 June 30, 2015

<u>Bank Account Type</u>	<u>Wells Fargo</u>
Checking - Operational Account	\$ 59,696
<i>Total on Deposit</i>	59,696
Reconciling Items	<u>(1,335)</u>
Reconciled Balance June 30, 2015	<u>\$ 58,361</u>

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Explore Academy
Cash Reconciliation
June 30, 2015

	Operational 11000	Pupil Transportation 13000	Instructional Materials 14000
Cash, June 30, 2014	\$ -	-	-
Add:			
2014-15 revenues	<u>1,533,023</u>	<u>107,261</u>	<u>10,601</u>
Total Cash Available	1,533,023	107,261	10,601
Less:			
2014-15 expenditures	(1,456,311)	(97,179)	(1,594)
Receivables/Payables	-	-	-
Outstanding Loans	<u>-</u>	<u>-</u>	<u>-</u>
Cash June 30, 2015	<u>76,712</u>	<u>10,082</u>	<u>9,007</u>
Fund Balance Reconciliations to GAAP Basis:			
Audit reclassifications to cash	(46,282)	-	-
Cash Per Books	<u>30,430</u>	<u>10,082</u>	<u>9,007</u>
Fund Balance Reconciliation to GAAP Basis:			
Modified Accrual Adjustments	<u>(143,428)</u>	<u>(9,168)</u>	<u>-</u>
Fund Balance (Deficit), Modified Accrual Basis	<u>\$ (112,998)</u>	<u>914</u>	<u>9,007</u>

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

Food Services 21000	Federal Projects Account 24000	Local Grants 26000	Public School Capital Outlay 31200	Total Government
-	-	-	-	-
-	66,793	3,000	138,741	1,859,419
-	66,793	3,000	138,741	1,859,419
-	(57,986)	(3,000)	(184,988)	(1,801,058)
-	-	-	-	-
-	-	-	-	-
-	8,807	-	(46,247)	58,361
-	35	-	46,247	-
-	8,842	-	-	58,361
Balance Sheets - Governmental Funds:				<u>\$ 58,361</u>
-	(8,842)	-	-	(161,438)
-	-	-	-	(103,077)
Balance Sheets - Governmental Funds:				<u>\$ (103,077)</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Gilbert L. Sena Charter High School
 Statement of Net Position
 June 30, 2015

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 423,186
Receivables	
Due from Other Governments	78,407
Total Current Assets	<u>501,593</u>

Noncurrent Assets:

Capital Assets	
Furniture, Fixtures, and Equipment	162,545
Less: Accumulated Depreciation	(98,206)
Total Noncurrent Assets	<u>64,339</u>
Total Assets	<u>565,932</u>

Deferred Outflows - Pension Related	<u>235,070</u>
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LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accounts Payable	10,380
Accrued Liabilities	125,673
Total Current Liabilities	<u>136,053</u>

Noncurrent Liabilities:

Net Pension Liability	2,199,550
Total Noncurrent Liabilities	<u>2,199,550</u>
Total Liabilities	<u>2,335,603</u>

Deferred Inflows - Pension Related	<u>232,698</u>
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NET POSITION

Investment in Capital Assets	64,339
Restricted	94,086
Unrestricted (Deficit)	(1,925,724)
Total Net Position	<u>\$ (1,767,299)</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Gilbert L. Sena Charter High School
Statement of Activities
For The Year Ended June 30, 2015

Functions/Programs	Program Revenues				Net (Expenses) Revenues and Changes in Net Position
	Expenses	Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 1,197,009	2,070	137,603	-	(1,057,336)
Support Services:					
Students	310,925	-	-	-	(310,925)
Instruction	21,042	-	-	-	(21,042)
General Administration	37,010	-	-	-	(37,010)
School Administration	239,251	-	-	-	(239,251)
Central Services	114,929	-	-	-	(114,929)
Operation & Maintenance of Plant	201,019	-	-	-	(201,019)
Other Support Services	4,787	-	-	-	(4,787)
Food Services	12,702	-	-	-	(12,702)
Facilities Materials, Supplies & Other Services	244,536	-	-	195,419	(49,117)
Total Governmental Activities	\$ 2,383,210	2,070	137,603	195,419	(2,048,118)
General Revenues:					
Property Taxes					\$ 52,739
State Equalization Guarantee					1,990,969
Total General Revenues					<u>2,043,708</u>
Change in Net Position					<u>(4,410)</u>
Net Position, Beginning of Year					411,043
Restatement					<u>(2,173,932)</u>
Net Position, as Restated					<u>(1,762,889)</u>
Net Position, Ending					<u>\$ (1,767,299)</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Gilbert L. Sena Charter High School
Balance Sheets - Governmental Funds
June 30, 2015

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101
ASSETS				
Cash and Cash Equivalents	\$ 329,314	17,500	279	-
Accounts Receivable				
Due from Government	-	-	-	27,792
Due from Other Funds	66,813	-	-	-
Total Assets	\$ 396,127	17,500	279	27,792
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 10,341	39	-	-
Accrued Expenditures	111,114	-	-	8,269
Due to Other Funds	-	-	-	19,523
Total Liabilities	121,455	39	-	27,792
Fund Balances (Deficit)				
Fund Balance:				
Restricted for:				
Instruction	-	17,461	-	-
Food Service Operations	-	-	279	-
Capital Improvements	-	-	-	-
Unassigned (Deficit)	274,672	-	-	-
Total Fund Balance (Deficit)	274,672	17,461	279	-
Total Liabilities and Fund Balances (Deficit)	\$ 396,127	17,500	279	27,792

IDEA-B Entitlement 24106	Teacher Principal Training 24154	CNM Foundation 26207	Dual Credit Instructional Materials/HB2 27103	Beginning Teacher Mentoring 27154	Public School Capital Outlay 31200
-	-	630	-	-	-
11,244	6,906	-	-	-	32,465
-	-	-	-	-	-
<u>11,244</u>	<u>6,906</u>	<u>630</u>	<u>-</u>	<u>-</u>	<u>32,465</u>
-	-	-	-	-	-
5,660	-	630	-	-	-
8,802	6,906	-	-	-	31,582
<u>14,462</u>	<u>6,906</u>	<u>630</u>	<u>-</u>	<u>-</u>	<u>31,582</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	883
<u>(3,218)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>(3,218)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>883</u>
<u>11,244</u>	<u>6,906</u>	<u>630</u>	<u>-</u>	<u>-</u>	<u>32,465</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Gilbert L. Sena Charter High School
Balance Sheets - Governmental Funds (Continued)
June 30, 2015

	Special Capital Outlay State 31400	SB-9 Capital Improvements 31700	Total
ASSETS			
Cash and Cash Equivalents	\$ -	75,463	423,186
Accounts Receivable			
Due from Government	-	-	78,407
Due from Other Funds	-	-	66,813
Total Assets	\$ -	75,463	568,406
LIABILITIES AND FUND BALANCES			
<i>Liabilities:</i>			
Accounts Payable	\$ -	-	10,380
Accrued Expenditures	-	-	125,673
Due to Other Funds	-	-	66,813
Total Liabilities	-	-	202,866
<i>Fund Balances (Deficit)</i>			
Fund Balance:			
Restricted for:			
Instruction	-	-	17,461
Food Service Operations	-	-	279
Capital Improvements	-	75,463	76,346
Unassigned (Deficit)	-	-	271,454
Total Fund Balance (Deficit)	-	75,463	365,540
Total Liabilities and Fund Balances (Deficit)	\$ -	75,463	568,406

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Gilbert L. Sena Charter High School
 Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
 June 30, 2015

Fund Balance - Total Governmental Funds **\$ 365,540**

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

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

Capital Assets	162,545	
Accumulated Depreciation	(98,206)	
		64,339

Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds. 235,070

Long-term liabilities are not due in the current period and, therefore, are not reported in the funds.

Net Pension Liability (2,199,550)

Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds (232,698)

Net Position-Total Governmental Activities **\$ (1,767,299)**

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Gilbert L. Sena Charter High School
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit)
Governmental Funds
For The Year Ended June 30, 2015

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101
REVENUES				
Property Taxes	\$ -	-	-	-
Local & County Grant	11,542	-	-	-
State Grant	1,990,969	13,162	-	-
Federal Grant	-	-	11,217	49,592
Charges for Services	306	-	1,764	-
Total Revenues	2,002,817	13,162	12,981	49,592
EXPENDITURES				
Current:				
Instruction	1,098,492	13,856	-	-
Support Services:				
Students	257,382	-	-	49,592
Instruction	21,042	-	-	-
General Administration	36,486	-	-	-
School Administration	235,763	-	-	-
Central Services	114,929	-	-	-
Operation & Maintenance of Plant	201,019	-	-	-
Other Support Services Operations	4,787	-	-	-
Food Services Operations	-	-	12,702	-
Capital Outlay	25,000	-	-	-
Total Expenditures	1,994,900	13,856	12,702	49,592
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>7,917</u>	<u>(694)</u>	<u>279</u>	<u>-</u>
Net Changes in Fund Balances	<u>7,917</u>	<u>(694)</u>	<u>279</u>	<u>-</u>
Fund Balances(Deficit) - Beginning of Year	<u>266,755</u>	<u>18,155</u>	<u>-</u>	<u>-</u>
Fund Balances (Deficit) - End of Year	<u>\$ 274,672</u>	<u>17,461</u>	<u>279</u>	<u>-</u>

IDEA-B Entitlement 24106	Teacher Principal Training 24154	CNM Foundation 26207	Dual Credit Instructional Materials/HB2 27103	Beginning Teacher Mentoring 27154	Public School Capital Outlay 31200
-	-	-	-	-	-
-	-	2,000	-	-	-
-	-	-	2,617	-	130,419
40,567	6,906	-	-	-	-
-	-	-	-	-	-
<u>40,567</u>	<u>6,906</u>	<u>2,000</u>	<u>2,617</u>	<u>-</u>	<u>130,419</u>
40,567	6,906	2,000	2,617	2,787	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	129,536
<u>40,567</u>	<u>6,906</u>	<u>2,000</u>	<u>2,617</u>	<u>2,787</u>	<u>129,536</u>
-	-	-	-	(2,787)	883
-	-	-	-	(2,787)	883
(3,218)	-	-	-	2,787	-
<u>(3,218)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>883</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Gilbert L. Sena Charter High School
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit) - Continued
Governmental Funds
For The Year Ended June 30, 2015

	Special Capital Outlay State 31400	SB-9 Capital Improvements 31700	Total
REVENUES			
Property Taxes	\$ -	52,739	52,739
Local & County Grant	-	-	13,542
State Grant	65,000	-	2,202,167
Federal Grant	-	-	108,282
Charges for Services	-	-	2,070
Total Revenues	<u>65,000</u>	<u>52,739</u>	<u>2,378,800</u>
EXPENDITURES			
Current:			
Instruction	-	-	1,167,225
Support Services:			
Students	-	-	306,974
Instruction	-	-	21,042
General Administration	-	524	37,010
School Administration	-	-	235,763
Central Services	-	-	114,929
Operation & Maintenance of Plant	-	-	201,019
Other Support Services Operations	-	-	4,787
Food Services Operations	-	-	12,702
Capital Outlay	65,000	25,000	244,536
Total Expenditures	<u>65,000</u>	<u>25,524</u>	<u>2,345,987</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>27,215</u>	<u>32,813</u>
Net Changes in Fund Balances	<u>-</u>	<u>27,215</u>	<u>32,813</u>
Fund Balances(Deficit) - Beginning of Year	<u>-</u>	<u>48,248</u>	<u>332,727</u>
Fund Balances (Deficit) - End of Year	<u>\$ -</u>	<u>75,463</u>	<u>365,540</u>

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 (Deficit) of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2015

Net Change in Fund Balance-Total Governmental Funds **\$ 32,813**

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

Capital outlays to purchase or build capital assets are reported in
 governmental funds as expenditures. However, for governmental activities
 those costs are shown in the Statement of Net Position and allocated over
 their estimated useful lives as annual depreciation expenses in the
 Statement of Activities. This is the amount by which capital outlay exceeds
 depreciation for the period

Depreciation Expense (13,977)

The issuance of long-term debt (e.g., bonds, notes, leases) provide current
 financial resources to governmental funds, while the repayment of the
 principal of long-term debt consumes the current financial resources of
 governmental funds. Neither transaction, however, has any effect on net
 position.

Changes in Net Pension Liability (23,246)

Change in Net Position-Total Governmental Activities **\$ (4,410)**

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Gilbert L. Sena Charter School
 Statement of Fiduciary Assets and Liabilities- Agency Funds
 June 30, 2015

	<u>Agency</u>
ASSETS	
Cash in Bank	<u>\$ 19,076</u>
Total Assets	<u><u>\$ 19,076</u></u>
 LIABILITIES	
Deposits Held for Others	<u>\$ 19,076</u>
Total Liabilities	<u><u>\$ 19,076</u></u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Gilbert L. Sena Charter High School
 Schedule of Changes in Assets and Liabilities - Agency Funds
 For The Year Ended June 30, 2015

	<u>Balance</u> <u>July 1, 2014</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2015</u>
ASSETS				
Cash in Bank	\$ 21,043	2,716	(4,683)	19,076
Total Assets	<u>\$ 21,043</u>	<u>2,716</u>	<u>(4,683)</u>	<u>19,076</u>
LIABILITIES				
Deposits Held for Others	\$ 21,043	2,716	(4,683)	19,076
Total Liabilities	<u>\$ 21,043</u>	<u>2,716</u>	<u>(4,683)</u>	<u>19,076</u>

The accompanying notes are an integral part of these financial statements

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Capital Assets. Capital assets purchased or acquired are 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. Gilbert L. Sena Charter High School's capitalization policy (i.e., the dollar value above which the asset acquisitions are added to the capital accounts) is \$5,000. The Gilbert L. Sena Charter High School does not capitalize any interest with regard to its capital assets.

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

Furniture, Fixtures and Equipment	5 years
Buildings and Improvements	40 years

Capital assets for the Gilbert L. Sena Charter High School are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB's Fiduciary Net Position have been determined on the economic resources measurement focus and accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Gilbert L. Sena Charter High School
Notes to the Financial Statements
June 30, 2015

NOTE 2. CAPITAL ASSETS

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

	Balance			Balance
	June 30, 2014	Additions	Deletions	June 30, 2015
<i>Capital Assets being Depreciated:</i>				
Furniture, Fixtures and Equipment	\$ 162,545	-	-	162,545
<i>Total</i>	<u>162,545</u>	-	-	<u>162,545</u>
<i>Less: Accumulated Depreciation</i>				
Furniture, fixtures and equipment	(84,229)	(13,977)	-	(98,206)
<i>Total</i>	<u>(84,229)</u>	<u>(13,977)</u>	-	<u>(98,206)</u>
Capital Assets, Net	<u>\$ 78,316</u>	<u>(13,977)</u>	-	<u>64,339</u>

Depreciation expensed for the year ended June 30, 2015 was expensed to the following functions:

Instruction	\$ 13,977
Total	<u>\$ 13,977</u>

NOTE 3. COMMITMENTS AND LIABILITIES

The Gilbert L. Sena Charter High School leased equipment and facilities under long-term cancelable operating leases. Rental expense for the year ended June 30, 2015 was \$197,533. The Gilbert L. Sena Charter High School's minimum future payments on this lease are as follows:

Year Ending June 30:	
2016	\$ 201,484
2017	205,514
2018	211,679
2019	215,913
Total	<u>\$ 834,590</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Gilbert L. Sena Charter High School
Notes to the Financial Statements
June 30, 2015

NOTE 4. DEFICIT FUND BALANCE

The following fund had a deficit fund balance at June 30, 2015:

IDEA-B Entitlement - 24106	\$	3,218
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The Gilbert L. Sena Charter High School is addressing the negative fund balance and is planning on taking the appropriate actions to eliminate the negative balance.

NOTE 5. RELATED PARTY TRANSACTIONS

The Business Manager of the Montessori Elementary School also operates a company that provided bookkeeping services to Gilbert L. Sena Charter High School for the early portion of fiscal year 2015 and for the entire fiscal year to La Promesa Early Learning Center Foundation, a component unit of La Promesa Early Learning Center, a PED charter school.

NOTE 6. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to Gilbert L. Sena Charter High School and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions. The contribution requirements of defined benefit plan members and Gilbert L. Sena Charter High School are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year ended June 30, 2014 employers contributed 13.15% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.10% of their gross annual salary. For fiscal year ended June 30, 2015 employers contributed 13.90%, and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 contributed an increased amount of 10.70% of their gross annual salary. Contributions to the pension plan from Gilbert L. Sena Charter High School were \$156,339 for the year ended June 30, 2015.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2013. The total ERB pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2014, using generally accepted actuarial principles. Therefore, the

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Gilbert L. Sena Charter High School
Notes to the Financial Statements
June 30, 2015

NOTE 6. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

employer's portion was established as of the measurement date June 30, 2014. At June 30, 2015, Gilbert L. Sena Charter High School reported a liability of \$2,199,550 for its proportionate share of the net pension liability. Gilbert L. Sena Charter High School's proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2014. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2014, Gilbert L. Sena Charter High School's proportion was 0.03855% percent, which was an increase of 0.01640% from its proportion measured as of June 30, 2013.

For the year ended June 30, 2015, Gilbert L. Sena Charter High School recognized pension expense of \$179,585. At the June 30, 2015, Gilbert L. Sena Charter High School reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	32,763
Changes in assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	199,935
Changes in proportion and differences between Gilbert L. Sena Charter High School contributions and proportionate share of contributions	78,731	-
Gilbert L. Sena Charter High School contributions subsequent to the measurement date	<u>156,339</u>	<u>-</u>
Total	<u>\$ 235,070</u>	<u>232,698</u>

\$156,339 reported as deferred outflows of resources related to pensions resulting from Gilbert L. Sena Charter High School contributions subsequent to the measurement date June 30, 2014 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Gilbert L. Sena Charter High School
Notes to the Financial Statements
June 30, 2015

NOTE 6. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2016	\$ 34,027
2017	34,027
2018	35,943
2019	<u>49,970</u>
Total	<u>\$ 153,967</u>

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

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
Gilbert L. Sena Charter High School's proportionate share of the net pension liability	<u>\$ 2,992,744</u>	<u>2,199,550</u>	<u>1,536,907</u>

Payables to the pension plan. For the year ending June 30, 2015, Gilbert L. Sena Charter High School's accrued liability due to ERB was \$ 41,997 for payroll paid in July 2015.

NOTE 7. RESTATEMENT

As a result of implementation of GASB No. 68, *Accounting and Financial Reporting for Pensions*, net position at June 30, 2014 was restated in the amount of \$(2,173,932).

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Gilbert L. Sena Charter High School
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2015

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.04%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 2,200	-	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 1,062	-	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	207.11%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30, 2014

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Gilbert L. Sena Charter High School
 SCHEDULE OF SCHOOL CONTRIBUTIONS
 June 30, 2015

New Mexico Educational Retirement Board Pension Plan
 Schedule of Ten Year Tracking Data
 (Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 140	-	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	140	-	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ -	-	-	-	-	-	-	-	-	-

Year	Total Amount Deferred	Amortization Years	Increase (Decrease) in Pension Expense over Recognition Periods											
			2015	2016	2017	2018	2019	2020	2021	2022	2023	2024		
2014	\$ 154	5	\$ 34	34	34	36	50	-	-	-	-	-	-	-
2015	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2016	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2017	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2018	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2019	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2020	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2021	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2022	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2023	-	5	-	-	-	-	-	-	-	-	-	-	-	-
	\$ 154		\$ 34	34	34	36	50	-	-	-	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Gilbert L. Sena Charter High School
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Local & County Grant	\$ -	-	11,542	11,542
State Grant	1,897,805	1,990,968	1,990,969	1
Charges for Services	3,000	3,000	306	(2,694)
Total Revenues	<u>1,900,805</u>	<u>1,993,968</u>	<u>2,002,817</u>	<u>8,849</u>
EXPENDITURES				
Current:				
Instruction	1,200,181	1,242,341	1,097,735	144,606
Support Services:				
Students	359,492	261,226	257,247	3,979
Instruction	-	26,839	21,042	5,797
General Administration	29,000	55,838	33,343	22,495
School Administration	137,282	252,420	234,885	17,535
Central Services	109,850	139,518	114,184	25,334
Operation & Maintenance of Plant	265,000	236,956	205,538	31,418
Other Support Services Operations	-	4,787	4,787	-
Capital outlay	-	50,000	25,000	25,000
Total Expenditures	<u>2,100,805</u>	<u>2,269,925</u>	<u>1,993,761</u>	<u>276,164</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	<u>(200,000)</u>	<u>(275,957)</u>	<u>9,056</u>	<u>285,013</u>
Net Changes in Fund Balances	<u>(200,000)</u>	<u>(275,957)</u>	<u>9,056</u>	<u>285,013</u>
Cash or Fund Balances - Beginning of Year	<u>260,793</u>	<u>260,793</u>	<u>260,793</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ 60,793</u>	<u>(15,164)</u>	<u>269,849</u>	<u>285,013</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ 9,056	
<i>Adjustments to Expenditures</i>			<u>(1,139)</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 7,917</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Gilbert L. Sena Charter High School
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 9,048	9,048	13,162	4,114
Total Revenues	<u>9,048</u>	<u>9,048</u>	<u>13,162</u>	<u>4,114</u>
EXPENDITURES				
Current:				
Instruction	14,052	27,203	13,817	13,386
Total Expenditures	<u>14,052</u>	<u>27,203</u>	<u>13,817</u>	<u>13,386</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(5,004)</u>	<u>(18,155)</u>	<u>(655)</u>	<u>17,500</u>
Net Changes in Fund Balances	<u>(5,004)</u>	<u>(18,155)</u>	<u>(655)</u>	<u>17,500</u>
Cash or Fund Balances - Beginning of Year	<u>18,155</u>	<u>18,155</u>	<u>18,155</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ 13,151</u>	<u>-</u>	<u>17,500</u>	<u>17,500</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (655)	
Adjustments to Expenditures			<u>(39)</u>	
NET CHANGE IN FUND BALANCE			<u>\$ (694)</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Gilbert L. Sena Charter High School
Schedule of Budgetary Comparisons - Budgetary Basis
Food Services 21000
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ -	12,702	11,217	(1,485)
Charges for Services	-	-	1,764	1,764
Total Revenues	<u>-</u>	<u>12,702</u>	<u>12,981</u>	<u>279</u>
EXPENDITURES				
Current:				
Food Services Operations	-	12,702	12,702	-
Total Expenditures	<u>-</u>	<u>12,702</u>	<u>12,702</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>279</u>	<u>279</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>279</u>	<u>279</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>279</u>	<u>279</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 279	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 279</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Gilbert L. Sena Charter High School
Schedule of Budgetary Comparisons - Budgetary Basis
Title I IASA 24101
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 50,048	50,883	71,509	20,626
Total Revenues	<u>50,048</u>	<u>50,883</u>	<u>71,509</u>	<u>20,626</u>
EXPENDITURES				
Current:				
Support Services:				
Students	50,048	50,883	49,592	1,291
Total Expenditures	<u>50,048</u>	<u>50,883</u>	<u>49,592</u>	<u>1,291</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>21,917</u>	<u>21,917</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>21,917</u>	<u>21,917</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>21,917</u>	<u>21,917</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 21,917	
Adjustments to Revenues			<u>(21,917)</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Gilbert L. Sena Charter High School
 Schedule of Budgetary Comparisons - Budgetary Basis
 IDEA-B Entitlement 24106
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 40,574	45,111	69,703	24,592
Total Revenues	<u>40,574</u>	<u>45,111</u>	<u>69,703</u>	<u>24,592</u>
EXPENDITURES				
Current:				
Instruction	40,574	45,111	40,567	4,544
Total Expenditures	<u>40,574</u>	<u>45,111</u>	<u>40,567</u>	<u>4,544</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>29,136</u>	<u>29,136</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>29,136</u>	<u>29,136</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>29,136</u>	<u>29,136</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 29,136	
Adjustments to Revenues			(29,136)	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Gilbert L. Sena Charter High School
Schedule of Budgetary Comparisons - Budgetary Basis
Teacher Principal Training 24154
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 6,906	14,655	-	(14,655)
Total Revenues	<u>6,906</u>	<u>14,655</u>	<u>-</u>	<u>(14,655)</u>
EXPENDITURES				
Current:				
Instruction	6,906	14,655	6,906	7,749
Total expenditures	<u>6,906</u>	<u>14,655</u>	<u>6,906</u>	<u>7,749</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(6,906)</u>	<u>(6,906)</u>
Net changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(6,906)</u>	<u>(6,906)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(6,906)</u>	<u>(6,906)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (6,906)	
Adjustments to Revenues			<u>6,906</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Gilbert L. Sena Charter High School
 Schedule of Budgetary Comparisons - Budgetary Basis
 CNM Foundation 26207
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Local & County Grant	\$ -	2,000	2,000	-
Total Revenues	<u>-</u>	<u>2,000</u>	<u>2,000</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	-	2,000	2,000	-
Total Expenditures	<u>-</u>	<u>2,000</u>	<u>2,000</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Gilbert L. Sena Charter High School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Dual Credit Instructional Materials/HB2 27103
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	3,080	2,617	(463)
Total Revenues	<u>-</u>	<u>3,080</u>	<u>2,617</u>	<u>(463)</u>
EXPENDITURES				
Current:				
Instruction	-	3,080	2,617	463
Total Expenditures	<u>-</u>	<u>3,080</u>	<u>2,617</u>	<u>463</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Gilbert L. Sena Charter High School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Beginning Teacher Mentoring 27154
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
<i>Total Revenues</i>	\$ -	-	-	-
EXPENDITURES				
Current:				
Instruction	-	2,787	-	2,787
<i>Total Expenditures</i>	-	2,787	-	2,787
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	(2,787)	-	2,787
Net Changes in Fund Balances	-	(2,787)	-	2,787
Cash or Fund Balances - Beginning of Year	2,787	2,787	2,787	-
Cash or Fund Balances - End of Year	\$ 2,787	-	2,787	2,787
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Expenditures			(2,787)	
NET CHANGE IN FUND BALANCE			\$ (2,787)	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Gilbert L. Sena Charter High School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Public School Capital Outlay 31200
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	129,861	97,954	(31,907)
Total Revenues	<u>-</u>	<u>129,861</u>	<u>97,954</u>	<u>(31,907)</u>
EXPENDITURES				
Capital Outlay	-	129,861	129,861	-
Total Expenditures	<u>-</u>	<u>129,861</u>	<u>129,861</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(31,907)	(31,907)
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(31,907)</u>	<u>(31,907)</u>
Cash or Fund Balances - Beginning of Year	<u>325</u>	<u>325</u>	<u>325</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ 325</u>	<u>325</u>	<u>(31,582)</u>	<u>(31,907)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (31,907)	
Adjustments to Revenues			32,465	
Adjustments to Expenditures			<u>325</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 883</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Gilbert L. Sena Charter High School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Special Capital Outlay State 31400
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 175,000	175,000	65,000	(110,000)
Total Revenues	<u>175,000</u>	<u>175,000</u>	<u>65,000</u>	<u>(110,000)</u>
EXPENDITURES				
Capital Outlay	175,000	175,000	65,000	110,000
Total Expenditures	<u>175,000</u>	<u>175,000</u>	<u>65,000</u>	<u>110,000</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
Net Changes in Fund Balances	-	-	-	-
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Gilbert L. Sena Charter High School
Schedule of Budgetary Comparisons - Budgetary Basis
SB-9 Capital Improvements 31700
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Property Taxes	\$ 53,126	53,126	52,739	(387)
State Grant	19,617	23,915	-	(23,915)
Total Revenues	<u>72,743</u>	<u>77,041</u>	<u>52,739</u>	<u>(24,302)</u>
EXPENDITURES				
Current:				
General Administration	-	650	524	126
Capital Outlay	125,469	129,117	25,000	104,117
Total Expenditures	<u>125,469</u>	<u>129,767</u>	<u>25,524</u>	<u>104,243</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(52,726)</u>	<u>(52,726)</u>	<u>27,215</u>	<u>79,941</u>
Net Changes in Fund Balances	<u>(52,726)</u>	<u>(52,726)</u>	<u>27,215</u>	<u>79,941</u>
Cash or Fund Balances - Beginning of Year	<u>48,248</u>	<u>48,248</u>	<u>48,248</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ (4,478)</u>	<u>(4,478)</u>	<u>75,463</u>	<u>79,941</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 27,215	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 27,215</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Gilbert L. Sena Charter High School
 Schedule of Collateral Pledged by Depository for Public Funds
 June 30, 2015

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2015</u>
Wells Fargo	FN AO8040	3138LY5A1	7/1/2042	\$ 126,111
Wells Fargo	FN AI7609	3138AMN35	11/1/2041	12,256
				<u>\$ 138,367</u>

Total Cash per Schedule of Cash Accounts:	\$ 447,578
Less: FDIC coverage:	<u>(250,000)</u>
Uninsured Public Funds:	197,578
Collateral Requirement:	98,789
Pledged Collateral Held by Pledging Financial Institution:	<u>138,367</u>
Balance Over Collateralized:	<u>\$ 39,578</u>
Balance Uninsured and Uncollateralized at June 30, 2015:	<u>\$ 59,211</u>

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STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Gilbert L. Sena Charter High School
 Schedule of Cash Accounts
 June 30, 2015

<u>Bank Account Type</u>	<u>Wells Fargo</u>
Checking - Operational Account	\$ 447,578
<i>Total on Deposit</i>	447,578
Reconciling Items	<u>(5,316)</u>
Reconciled Balance June 30, 2015	<u>442,262</u>
Less Agency Funds	<u>(19,076)</u>
<i>Total Cash</i>	<u><u>\$ 423,186</u></u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Gilbert L. Sena Charter High School
Cash Reconciliation
June 30, 2015

	Operational 11000	Instructional Materials 14000	Food Services 21000	Non-Instruct. Fund 23000
Cash, June 30, 2014	\$ 275,957	18,155	-	21,043
Add:				
2014-15 revenues	2,002,817	13,162	12,981	2,716
Total Cash Available	2,278,774	31,317	12,981	23,759
Less:				
2014-15 expenditures	(1,993,761)	(13,817)	(12,702)	(4,683)
Receivables/Payables	111,114	-	-	-
Outstanding Loans	(66,813)	-	-	-
Cash June 30, 2015	329,314	17,500	279	19,076
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	-	-	-	-
Cash Per Books	329,314	17,500	279	19,076
Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	(54,642)	(39)	-	(19,076)
Fund Balance (Deficit), Modified Accrual Basis	\$ 274,672	17,461	279	-

Federal Projects Account 24000	Local Grant Fund 26000	State Account 27000	Public School Capital Outlay 31200	Special Capital Outlay State 31400	SB-9 Capital Improvements 31700	Total
(127,819)	-	-	325	-	48,248	235,909
175,725	2,000	2,617	97,954	65,000	52,739	2,427,711
47,906	2,000	2,617	98,279	65,000	100,987	2,663,620
(97,065)	(2,000)	(2,617)	(129,861)	(65,000)	(25,524)	(2,347,030)
13,928	630	-	-	-	-	125,672
35,231	-	-	31,582	-	-	-
-	630	-	-	-	75,463	442,262
-	-	-	-	-	-	-
-	630	-	-	-	75,463	442,262
Less: Activity Funds Per Schedule of Changes in Assets and Liabilities- Agency Fund:						(19,076)
						<u>\$ 423,186</u>
(3,218)	(630)	-	883	-	-	(76,722)
<u>(3,218)</u>	<u>-</u>	<u>-</u>	<u>883</u>	<u>-</u>	<u>75,463</u>	<u>365,540</u>

Balance Sheets - Governmental Funds: \$ 365,540

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The Great Academy
Statement of Net Position
June 30, 2015

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 252,084
Receivables	
Due from Other Governments	48,316
Other	495,000
Total Current Assets	<u>795,400</u>

Noncurrent Assets:

Capital Assets	
Building and Improvements	36,889
Vehicles	126,612
Furniture, Fixtures, and Equipment	141,669
Less: Accumulated Depreciation	(87,127)
Total Noncurrent Assets	<u>218,043</u>
Total Assets	<u>1,013,443</u>

Deferred Outflows - Pension Related	<u>202,977</u>
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LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accounts Payable	21,322
Accrued Liabilities	11,178
Compensated Absences	72,584
Total Current Liabilities	<u>105,084</u>

Noncurrent Liabilities:

Net Pension Liability	1,433,271
Total Noncurrent Liabilities	<u>1,433,271</u>
Total Liabilities	<u>1,538,355</u>

Deferred Inflows - Pension Related	<u>151,636</u>
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NET POSITION

Investment in Capital Assets	218,043
Restricted	507,736
Unrestricted (Deficit)	(1,199,350)
Total Net Position	<u>\$ (473,571)</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The Great Academy
Statement of Activities
For The Year Ended June 30, 2015

Functions/Programs	Program Revenues				Net (Expenses) Revenues and Changes in Net Position
	Expenses	Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 660,596	9,980	75,375	-	(575,241)
Support Services:					
Students	194,512	-	-	-	(194,512)
Instruction	42,070	-	-	-	(42,070)
General Administration	207,354	-	-	-	(207,354)
School Administration	188,726	-	-	-	(188,726)
Central Services	162,230	-	-	-	(162,230)
Operation & Maintenance of Plant	228,633	-	-	-	(228,633)
Student Transportation	20,770	-	-	-	(20,770)
Food Services	7,996	-	-	-	(7,996)
Facilities Materials, Supplies & Other Services	130,320	-	-	130,320	-
Total Governmental Activities	\$ 1,843,207	9,980	75,375	130,320	(1,627,532)
General Revenues:					
State Equalization Guarantee					\$ 1,826,434
Total General Revenues					1,826,434
Change in Net Position					198,902
Net Position- Beginning of Year					678,904
Restatement					(1,351,377)
Net Position, as Restated					(672,473)
Net position, Ending					\$ (473,571)

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The Great Academy
Balance Sheets - Governmental Funds
June 30, 2015

	Operational 11000	Instructional Materials 14000	Title I IASA 24101	IDEA-B Entitlement 24106
ASSETS				
Cash and Cash Equivalents	\$ 239,348	12,736	-	-
Accounts Receivable				
Due from Government	10,690	-	17,211	13,123
Due from Other Funds	37,626	-	-	-
Prepays	450,000	-	-	-
Total Assets	\$ 737,664	12,736	17,211	13,123
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 21,322	-	-	-
Accrued Expenditures	11,178	-	-	-
Due to Other Funds	-	-	17,211	13,123
Total Liabilities	32,500	-	17,211	13,123
Fund Balances				
Fund Balance:				
Nonspendable:				
Prepaid Expenditures	450,000	-	-	-
Restricted for:				
Instruction	-	12,736	-	-
Unassigned	255,164	-	-	-
Total Fund Balance	705,164	12,736	-	-
Total Liabilities and Fund Balances	\$ 737,664	12,736	17,211	13,123

Federal Charter School Planning 24146	Teacher Principal Training 24154	Dual Credit Instructional Materials 27103	2012 SB-66 Student Library 27107	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Total
-	-	-	-	-	-	252,084
-	2,813	320	-	-	4,159	48,316
-	-	-	-	-	-	37,626
45,000	-	-	-	-	-	495,000
<u>45,000</u>	<u>2,813</u>	<u>320</u>	<u>-</u>	<u>-</u>	<u>4,159</u>	<u>833,026</u>
-	-	-	-	-	-	21,322
-	-	-	-	-	-	11,178
-	2,813	320	-	-	4,159	37,626
<u>-</u>	<u>2,813</u>	<u>320</u>	<u>-</u>	<u>-</u>	<u>4,159</u>	<u>70,126</u>
45,000	-	-	-	-	-	495,000
-	-	-	-	-	-	12,736
-	-	-	-	-	-	255,164
45,000	-	-	-	-	-	762,900
<u>45,000</u>	<u>2,813</u>	<u>320</u>	<u>-</u>	<u>-</u>	<u>4,159</u>	<u>833,026</u>

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STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The Great Academy
Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
June 30, 2015

Fund Balance - Total Governmental Funds **\$ 762,900**

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

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

Capital Assets	305,170	
Accumulated Depreciation	(87,127)	
	218,043	218,043

Defined benefit pension plan deferred outflows are not
 financial resources and, therefore, are not reported in the
 funds. 202,977

Compensated absences (72,584)

Long-term liabilities are not due in the current period and,
 therefore, are not reported in the funds.
 Net Pension Liability (1,433,271)

Defined benefit pension plan deferred inflows are not due and
 payable in th current period and, therefore, are not reported in the
 funds. (151,636)

Net Position-Total Governmental Activities **\$ (473,571)**

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The Great Academy
Statement of Revenues, Expenditures, and Changes In Fund Balances
Governmental Funds
For The Year Ended June 30, 2015

	Operational 11000	Instructional Materials 14000	Title I IASA 24101	IDEA-B Entitlement 24106
REVENUES				
Local & County Grant	\$ 11,937	-	-	-
State Grant	1,826,434	9,138	-	-
Federal Grant	-	-	17,211	28,922
Charges for Services	9,980	-	-	-
Total Revenues	<u>1,848,351</u>	<u>9,138</u>	<u>17,211</u>	<u>28,922</u>
EXPENDITURES				
Current:				
Instruction	590,037	-	17,211	28,922
Support Services:				
Students	190,465	-	-	-
Instruction	37,272	-	-	-
General Administration	201,678	-	-	-
School Administration	183,223	-	-	-
Central Services	159,574	-	-	-
Operation & Maintenance of Plant	246,932	-	-	-
Student Transportation	8,109	-	-	-
Food Services Operations	7,996	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>1,625,286</u>	<u>-</u>	<u>17,211</u>	<u>28,922</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>223,065</u>	<u>9,138</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>223,065</u>	<u>9,138</u>	<u>-</u>	<u>-</u>
Fund Balances- Beginning of Year	<u>482,099</u>	<u>3,598</u>	<u>-</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ 705,164</u>	<u>12,736</u>	<u>-</u>	<u>-</u>

Federal Charter School Planning 24146	Teacher Principal Training 24154	Dual Credit Instructional Materials 27103	2012 SB-66 Student Library 27107	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Total
-	-	-	-	-	-	11,937
-	-	2,132	3,222	126,161	4,159	1,971,246
-	2,813	-	-	-	-	48,946
-	-	-	-	-	-	9,980
-	2,813	2,132	3,222	\$ 126,161	4,159	2,042,109
-	2,813	2,132	-	-	-	641,115
-	-	-	-	-	-	190,465
-	-	-	3,222	-	-	40,494
-	-	-	-	-	-	201,678
-	-	-	-	-	-	183,223
-	-	-	-	-	-	159,574
-	-	-	-	-	-	246,932
-	-	-	-	-	-	8,109
-	-	-	-	-	-	7,996
-	-	-	-	126,161	4,159	130,320
-	2,813	2,132	3,222	126,161	4,159	1,809,906
-	-	-	-	-	-	232,203
-	-	-	-	-	-	232,203
45,000	-	-	-	-	-	530,697
45,000	-	-	-	-	-	762,900

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The Great Academy
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2015**

Net Change in Fund Balance-Total Governmental Funds **\$ 232,203**

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

Change in Compensated Absences (6,604)

Capital outlays to purchase or build capital assets are reported in
governmental funds as expenditures. However, for governmental activities
those costs are shown in the Statement of Net Position and allocated over
their estimated useful lives as annual depreciation expenses in the
Statement of Activities. This is the amount by which capital outlay exceeds
depreciation for the period

Capital Outlays	45,618	
Depreciation Expense	(41,762)	
	3,856	3,856

The issuance of long-term debt (e.g., bonds, notes, leases) provide current
financial resources to governmental funds, while the repayment of the
principal of long-term debt consumes the current financial resources of
governmental funds. Neither transaction, however, has any effect on net
position.

Change in Net Pension Liability		(30,553)
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Change in Net Position-Total Governmental Activities **\$ 198,902**

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The Great Academy
Statement of Fiduciary Assets and Liabilities- Agency Funds
June 30, 2015

	<u>Agency</u>
ASSETS	
Cash in Bank	<u>\$ 1,818</u>
Total Assets	<u><u>\$ 1,818</u></u>
 LIABILITIES	
Deposits Held for Others	<u>\$ 1,818</u>
Total Liabilities	<u><u>\$ 1,818</u></u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 The Great Academy
 Schedule of Changes in Assets and Liabilities - Agency Funds
 For The Year Ended June 30, 2015

	<u>Balance</u> <u>July 1, 2014</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2015</u>
ASSETS				
Cash in Bank	\$ 1,818	-	-	1,818
Total Assets	<u>\$ 1,818</u>	<u>-</u>	<u>-</u>	<u>1,818</u>
 LIABILITIES				
Deposits Held for Others	\$ 1,818	-	-	1,818
Total Liabilities	<u>\$ 1,818</u>	<u>-</u>	<u>-</u>	<u>1,818</u>

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Capital Assets. Capital assets purchased or acquired are 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 Great Academy's capitalization policy (i.e., the dollar value above which the asset acquisitions are added to the capital accounts) is \$5,000. The Great Academy does not capitalize any interest with regard to its capital assets.

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

Furniture, Equipment and Vehicles	5 years
Buildings and Improvements	40 years

Capital assets for the Great Academy are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB's Fiduciary Net Position have been determined on the economic resources measurement focus and accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The Great Academy
Notes to the Financial Statements
June 30, 2015

NOTE 2. CAPITAL ASSETS

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

	<u>Balance</u> <u>June 30, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2015</u>
<i>Capital Assets being Depreciated:</i>				
Furniture, Fixtures and Equipment	\$ 132,940	8,729	-	141,669
Vehicles	126,612	-	-	126,612
Building and Improvements	-	36,889	-	36,889
<i>Total</i>	<u>259,552</u>	<u>45,618</u>	<u>-</u>	<u>305,170</u>
<i>Less: Accumulated Depreciation</i>				
Furniture, fixtures and equipment	(33,761)	(27,461)	-	(61,222)
Vehicles	(11,604)	(12,661)	-	(24,265)
Building and improvements	-	(1,640)	-	(1,640)
<i>Total</i>	<u>(45,365)</u>	<u>(41,762)</u>	<u>-</u>	<u>(87,127)</u>
Capital Assets, Net	<u>\$ 214,187</u>	<u>3,856</u>	<u>-</u>	<u>218,043</u>

Depreciation expensed for the year ended June 30, 2015 was expensed to the following functions:

Instruction	\$ 13,287
General Administration	1,131
Student Transportation	12,661
Facilities, Materials, Supplies & Other Services	14,683
Total	<u>\$ 41,762</u>

NOTE 3. COMMITMENTS AND LIABILITIES

The Great Academy leased equipment and facilities under long-term cancelable operating leases. Rental expense for the year ended June 30, 2015 was \$634,772. The Great Academy's minimum future payments on this lease are as follows:

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The Great Academy
Notes to the Financial Statements
June 30, 2015

NOTE 3. COMMITMENTS AND LIABILITIES (CONTINUED)

Year Ending June 30:	
2016	\$ 175,500
2017	175,500
2018	175,500
2019	217,728
2020	219,058
2021	225,360
Total	<u>\$ 1,188,646</u>

The Great Academy had a compensated absences balance of \$65,980 at the beginning of the fiscal year. Increase to the balance was \$6,604 which resulted in an ending balance of \$72,584. All of this balance is considered to be current.

NOTE 4. RELATED PARTY TRANSACTIONS

The Executive Director’s spouse is employed by the school as the Principal. The board waived the nepotism requirement during the June 2012 meeting.

NOTE 5. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to the Great Academy and does not include general disclosure information pertaining to the New Mexico Educational Employees’ Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions. The contribution requirements of defined benefit plan members and The Great Academy are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year ended June 30, 2014 employers contributed 13.15% of employees’ gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.10% of their gross annual salary. For fiscal year ended June 30, 2015 employers contributed 13.90%, and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 contributed an increased amount of 10.70% of their gross annual salary. Contributions to the pension plan from The Great Academy were \$103,280 for the year ended June 30, 2015.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The Great Academy
Notes to the Financial Statements
June 30, 2015

NOTE 5. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2013. The total ERB pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2014, using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date June 30, 2014. At June 30, 2015, The Great Academy reported a liability of \$1,433,271 for its proportionate share of the net pension liability. The Great Academy's proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2014. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2014, The Great Academy's proportion was 0.02512% percent, which was an increase of 0.00214% from its proportion measured as of June 30, 2013.

For the year ended June 30, 2015, The Great Academy recognized pension expense of \$133,833. At the June 30, 2015, The Great Academy reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	21,350
Changes in assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	130,286
Changes in proportion and differences between The Great Academy contributions and proportionate share of contributions	99,697	-
The Great Academy contributions subsequent to the measurement date	<u>103,280</u>	<u>-</u>
Total	<u>\$ 202,977</u>	<u>151,636</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 The Great Academy
 Notes to the Financial Statements
 June 30, 2015

NOTE 5. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

\$103,280 reported as deferred outflows of resources related to pensions resulting from The Great Academy contributions subsequent to the measurement date June 30, 2014 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2016	\$ 5,369
2017	5,369
2018	8,633
2019	<u>32,568</u>
Total	<u>\$ 51,939</u>

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

	<u>1% Decrease (6.75%)</u>	<u>Current Discount Rate (7.75%)</u>	<u>1% Increase (8.75%)</u>
The Great Academy's proportionate share of the net pension liability	<u>\$ 1,950,133</u>	<u>1,433,271</u>	<u>1,001,512</u>

NOTE 6. BUDGETARY CONDITION

As noted in Finding 2015-001, The Great Academy budgeted in excess of beginning cash available:

Operational Fund 11000	\$133,292
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NOTE 7. RESTATEMENT

As a result of implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, net position at June 30, 2014 was restated in the amount of \$(1,351,377).

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
 The Great Academy
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2015

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
 (Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.03%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 1,433	-	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 692	-	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	207.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30, 2014

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The Great Academy
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2015

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 91	-	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	91	-	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ -	-	-	-	-	-	-	-	-	-

Year	Total Amount Deferred	Amortization Years	Increase (Decrease) in Pension Expense over Recognition Periods											
			2015	2016	2017	2018	2019	2020	2021	2022	2023	2024		
2014	\$ 52	5	\$ 5	5	5	9	33	-	-	-	-	-	-	-
2015	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2016	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2017	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2018	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2019	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2020	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2021	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2022	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2023	-	5	-	-	-	-	-	-	-	-	-	-	-	-
	\$ 52		\$ 5	5	5	9	33	-	-	-	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The Great Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 2,012,540	2,012,540	1,826,434	(186,106)
Charges for Services	-	-	9,980	9,980
Total Revenues	<u>2,012,540</u>	<u>2,012,540</u>	<u>1,836,414</u>	<u>(176,126)</u>
EXPENDITURES				
Current:				
Instruction	1,422,891	744,057	599,284	144,773
Support Services:				
Students	83,525	248,525	188,398	60,127
Instruction	230,962	53,962	37,272	16,690
General Administration	97,608	217,608	196,379	21,229
School Administration	205,939	194,939	183,223	11,716
Central Services	198,845	188,845	162,574	26,271
Operation & Maintenance of Plant	372,211	762,211	698,897	63,314
Student Transportation	5,950	13,950	8,273	5,677
Other Support Services Operations	-	190,834	-	190,834
Food Services Operations	10,000	13,000	7,996	5,004
Total Expenditures	<u>2,627,931</u>	<u>2,627,931</u>	<u>2,082,296</u>	<u>545,635</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	<u>(615,391)</u>	<u>(615,391)</u>	<u>(245,882)</u>	<u>369,509</u>
Net Changes in Fund Balances	<u>(615,391)</u>	<u>(615,391)</u>	<u>(245,882)</u>	<u>369,509</u>
Cash or Fund Balances - Beginning of Year	<u>482,099</u>	<u>482,099</u>	<u>482,099</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ (133,292)</u>	<u>(133,292)</u>	<u>236,217</u>	<u>369,509</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ (245,882)	
Adjustments to Revenues			11,937	
Adjustments to Expenditures			457,010	
NET CHANGE IN FUND BALANCE			<u>\$ 223,065</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The Great Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 3,534	3,534	9,138	5,604
Total Revenues	<u>3,534</u>	<u>3,534</u>	<u>9,138</u>	<u>5,604</u>
EXPENDITURES				
Current:				
Instruction	3,534	3,534	-	3,534
Total Expenditures	<u>3,534</u>	<u>3,534</u>	<u>-</u>	<u>3,534</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>9,138</u>	<u>9,138</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>9,138</u>	<u>9,138</u>
Cash or Fund Balances - Beginning of Year	<u>12,736</u>	<u>12,736</u>	<u>12,736</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ 12,736</u>	<u>12,736</u>	<u>21,874</u>	<u>9,138</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 9,138	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 9,138</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The Great Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Title I IASA 24101
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 12,141	19,446	19,980	534
Total Revenues	<u>12,141</u>	<u>19,446</u>	<u>19,980</u>	<u>534</u>
EXPENDITURES				
Current:				
Instruction	12,141	19,446	17,211	2,235
Total Expenditures	<u>12,141</u>	<u>19,446</u>	<u>17,211</u>	<u>2,235</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	-	-	2,769	2,769
Net Changes in Fund Balances	-	-	2,769	2,769
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>2,769</u>	<u>2,769</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ 2,769	
<i>Adjustments to Revenues</i>			(2,769)	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The Great Academy
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Entitlement 24106
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 26,030	33,678	35,316	1,638
Total Revenues	<u>26,030</u>	<u>33,678</u>	<u>35,316</u>	<u>1,638</u>
EXPENDITURES				
Current:				
Instruction	26,030	33,678	28,922	4,756
Total Expenditures	<u>26,030</u>	<u>33,678</u>	<u>28,922</u>	<u>4,756</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	6,394	6,394
Net Changes in Fund Balances	-	-	6,394	6,394
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>6,394</u>	<u>6,394</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 6,394	
Adjustments to Revenues			(6,394)	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 The Great Academy
 Schedule of Budgetary Comparisons - Budgetary Basis
 Federal Charter School Planning 24146
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
<i>Total Revenues</i>	\$ -	-	-	-
EXPENDITURES				
<i>Total Expenditures</i>	-	-	-	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
<i>Net Changes in Fund Balances</i>	-	-	-	-
<i>Cash or Fund Balances - Beginning of Year</i>	45,000	45,000	45,000	-
<i>Cash or Fund Balances - End of Year</i>	<u>\$ 45,000</u>	<u>45,000</u>	<u>45,000</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The Great Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Teacher Principal Training 24154
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 2,947	5,063	988	(4,075)
Total Revenues	<u>2,947</u>	<u>5,063</u>	<u>988</u>	<u>(4,075)</u>
EXPENDITURES				
Current:				
Instruction	2,947	5,063	2,813	2,250
Total expenditures	<u>2,947</u>	<u>5,063</u>	<u>2,813</u>	<u>2,250</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(1,825)</u>	<u>(1,825)</u>
Net changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(1,825)</u>	<u>(1,825)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(1,825)</u>	<u>(1,825)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (1,825)	
Adjustments to Revenues			<u>1,825</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The Great Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Dual Credit Instructional Materials 27103
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	2,132	1,812	(320)
Total Revenues	<u>-</u>	<u>2,132</u>	<u>1,812</u>	<u>(320)</u>
EXPENDITURES				
Current:				
Instruction	-	2,132	2,132	-
Total Expenditures	<u>-</u>	<u>2,132</u>	<u>2,132</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(320)</u>	<u>(320)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(320)</u>	<u>(320)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(320)</u>	<u>(320)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (320)	
Adjustments to Revenues			<u>320</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 The Great Academy
 Schedule of Budgetary Comparisons - Budgetary Basis
 2012 SB-66 Student Library 27107
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 3,223	3,223	3,222	(1)
Total Revenues	<u>3,223</u>	<u>3,223</u>	<u>3,222</u>	<u>(1)</u>
EXPENDITURES				
Current:				
Support Services:				
Instruction	3,223	3,223	3,222	1
Total Expenditures	<u>3,223</u>	<u>3,223</u>	<u>3,222</u>	<u>1</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 The Great Academy
 Schedule of Budgetary Comparisons - Budgetary Basis
 Public School Capital Outlay 31200
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	126,161	126,161	-
Total Revenues	<u>-</u>	<u>126,161</u>	<u>126,161</u>	<u>-</u>
EXPENDITURES				
Capital Outlay	-	126,161	126,161	-
Total Expenditures	<u>-</u>	<u>126,161</u>	<u>126,161</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The Great Academy
Schedule of Budgetary Comparisons - Budgetary Basis
SB-9 Capital Improvements 31700
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 5,214	4,159	-	(4,159)
Total Revenues	<u>5,214</u>	<u>4,159</u>	<u>-</u>	<u>(4,159)</u>
EXPENDITURES				
Capital Outlay	5,214	4,159	4,159	-
Total Expenditures	<u>5,214</u>	<u>4,159</u>	<u>4,159</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(4,159)	(4,159)
Net Changes in Fund Balances	-	-	(4,159)	(4,159)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(4,159)</u>	<u>(4,159)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (4,159)	
Adjustments to Revenues			<u>4,159</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 The Great Academy
 Schedule of Collateral Pledged by Depository for Public Funds
 June 30, 2015

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2015</u>
Wells Fargo	FN AU0924	3138X0A24	7/1/2043	\$ 40,687
				<u>\$ 40,687</u>

Total Cash per Schedule of Cash Accounts:	\$	266,441
Less: FDIC coverage:		<u>(250,000)</u>
Uninsured Public Funds:		16,441
Collateral Requirement:		8,221
Pledged Collateral Held by Pledging Financial Institution:		<u>40,687</u>
Balance Over Collateralized:	\$	<u>32,466</u>
Balance Uninsured and Uncollateralized at June 30, 2015:	\$	<u>-</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 The Great Academy
 Schedule of Cash Accounts
 June 30, 2015

<u>Bank Account Type</u>	<u>Wells Fargo</u>
Checking - Operational Account	\$ 266,441
Total on Deposit	266,441
Reconciling Items	<u>(12,539)</u>
Reconciled Balance June 30, 2015	<u>253,902</u>
Less Agency Funds	<u>(1,818)</u>
Total Cash	<u>\$ 252,084</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The Great Academy
Cash Reconciliation
June 30, 2015

	Operational 11000	Instructional Materials 14000	Non-Instruct. Fund 23000
Cash, June 30, 2014	\$ 503,995	3,598	1,818
Add:			
2014-15 revenues	1,836,414	9,138	-
Total Cash Available	2,340,409	12,736	1,818
Less:			
2014-15 expenditures	(2,082,296)	-	-
Receivables/Payables	18,861	-	-
Outstanding Loans	(37,626)	-	-
Cash June 30, 2015	239,348	12,736	1,818
Fund Balance Reconciliations to GAAP Basis:			
Audit reclassifications to cash	-	-	-
Cash Per Books	239,348	12,736	1,818
Fund Balance Reconciliation to GAAP Basis:			
Modified Accrual Adjustments	465,816	-	(1,818)
Fund Balance, Modified Accrual Basis	<u>\$ 705,164</u>	<u>12,736</u>	<u>-</u>

Federal Projects Account 24000	State Flowthrough 27000	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Total
(32,980)	-	-	-	476,431
<u>56,283</u>	<u>5,034</u>	<u>126,161</u>	<u>-</u>	<u>2,033,030</u>
23,303	5,034	126,161	-	2,509,461
(53,124)	(5,354)	(126,161)	(4,159)	(2,271,094)
(3,326)	-	-	-	15,535
<u>33,147</u>	<u>320</u>	<u>-</u>	<u>4,159</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>253,902</u>
-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>253,902</u>
Less: Activity Funds Per Schedule of Changes in Assets and Liabilities- Agency Fund:				<u>(1,818)</u>
				<u>\$ 252,084</u>
<u>45,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>508,998</u>
<u>45,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>762,900</u>
Balance Sheets - Governmental Funds:				<u>\$ 762,900</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

PUBLIC EDUCATION DEPARTMENT

Financial Statements
June 30, 2015

VOLUME VI



AXIOM

*Certified Public Accountants
and Business Advisors LLC*

**STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
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STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Health Leadership High School
 Statement of Net Position
 June 30, 2015

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 515,177
Receivables	
Due from Government	189,475
Deposits	27,000
Total Current Assets	<u>731,652</u>

Noncurrent Assets:

Capital Assets	
Furniture, Fixtures, and Equipment	40,777
Less: Accumulated Depreciation	<u>(7,115)</u>
Total Noncurrent Assets	<u>33,662</u>
Total Assets	<u>765,314</u>

Deferred Outflows - Pension Related	<u>1,375,389</u>
--	------------------

LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accounts Payable	6,362
Accrued Expenditures	77,479
Total Current Liabilities	<u>83,841</u>

Noncurrent Liabilities:

Net Pension Liability	1,526,845
Total Noncurrent Liabilities	<u>1,526,845</u>
Total Liabilities	<u>1,610,686</u>

Deferred Inflows - Pension Related	<u>161,514</u>
---	----------------

NET POSITION

Investment in Capital Assets	33,662
Restricted	131,816
Unrestricted	203,025
Total Net Position	<u>\$ 368,503</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Health Leadership High School
Statement of Activities
For The Year Ended June 30, 2015

Functions/Programs	Program Revenues				Net (Expenses) Revenues and Changes in Net Position
	Expenses	Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 736,728	1,765	214,383	-	(520,580)
Support Services:					
Students	390,794	-	-	-	(390,794)
Instruction	200,138	-	-	-	(200,138)
General Administration	166,807	-	-	-	(166,807)
School Administration	228,114	-	-	-	(228,114)
Central Services	94,380	-	-	-	(94,380)
Operation & Maintenance of Plant	108,736	-	-	-	(108,736)
Food Services	35,649	84	30,850	-	(4,715)
Facilities Materials, Supplies & Other Services	241,766	-	-	275,428	33,662
Total Governmental Activities	\$ 2,203,112	1,849	245,233	275,428	(1,680,602)
General Revenues:					
					\$ 19,656
					1,876,805
					6,467
					<u>1,902,928</u>
Change in Net Position					<u>222,326</u>
					49,200
					<u>96,977</u>
					<u>146,177</u>
					<u>\$ 368,503</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Health Leadership High School
Balance Sheets - Governmental Funds
June 30, 2015

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101
ASSETS				
Cash and Cash Equivalents	\$ 410,206	7,089	-	-
Accounts Receivable				
Due from Government	-	-	3,381	9,876
Due from Other Funds	189,014	-	-	-
Deposits	27,000	-	-	-
Total Assets	\$ 626,220	7,089	3,381	9,876
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 6,362	-	-	-
Accrued Expenditures	76,863	-	-	-
Due to Other Funds	-	-	2,943	9,876
Total Liabilities	83,225	-	2,943	9,876
Fund Balances				
Fund Balance:				
Nonspendable:				
Deposits	27,000	-	-	-
Restricted for:				
Instruction	-	7,089	-	-
Food Service Operations	-	-	438	-
Capital Improvements	-	-	-	-
Assigned to:				
Subsequent Years Expenditures and Other Programs	515,995	-	-	-
Total Fund Balance	542,995	7,089	438	-
Total Liabilities and Fund Balances	\$ 626,220	7,089	3,381	9,876

The accompanying notes are an integral part of these financial statements

IDEA-B Entitlement 24106	Daniels Fund 26141	Partners for Developing Futures 26208	College Advisors 27189	Private Direct Grant 29102	McCune 29114
-	593	2,075	-	27,635	47,923
-	-	-	65,000	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>593</u>	<u>2,075</u>	<u>65,000</u>	<u>27,635</u>	<u>47,923</u>
-	-	-	-	-	-
-	593	-	23	-	-
-	-	-	64,977	-	-
<u>-</u>	<u>593</u>	<u>-</u>	<u>65,000</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
-	-	2,075	-	27,635	47,923
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>2,075</u>	<u>-</u>	<u>27,635</u>	<u>47,923</u>
<u>-</u>	<u>593</u>	<u>2,075</u>	<u>65,000</u>	<u>27,635</u>	<u>47,923</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Health Leadership High School
Balance Sheets - Governmental Funds (continued)
June 30, 2015

	Public School Capital Outlay 31200	Special Capital Outlay 31400	Capital Improvement 31700	Total
ASSETS				
Cash and Cash Equivalents	\$ -	-	19,656	515,177
Accounts Receivable				
Due from Government	3,960	107,258	-	189,475
Due from Other Funds	-	-	-	189,014
Deposits	-	-	-	27,000
Total Assets	\$ 3,960	107,258	19,656	920,666
LIABILITIES AND FUND BALANCES				
<i>Liabilities:</i>				
Accounts Payable	\$ -	-	-	6,362
Accrued Expenditures	-	-	-	77,479
Due to Other Funds	3,960	107,258	-	189,014
Total Liabilities	3,960	107,258	-	272,855
<i>Fund Balances</i>				
Fund Balance:				
Nonspendable:				
Deposits	-	-	-	27,000
Restricted for:				
Instruction	-	-	-	84,722
Food Service Operations	-	-	-	438
Capital Improvements	-	-	19,656	19,656
Assigned to:				
Subsequent Years Expenditures and Other Programs	-	-	-	515,995
Total Fund Balance	-	-	19,656	647,811
Total Liabilities and Fund Balances	\$ 3,960	107,258	19,656	920,666

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Health Leadership High School
Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
June 30, 2015

Fund Balance - Total Governmental Funds **\$ 647,811**

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

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

Capital Assets	40,777	
Accumulated Depreciation	(7,115)	
		33,662

Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds	1,375,389
---	-----------

Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds.	(161,514)
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The net pension liability is not due and payable in the current period and, therefore, is not reported in the funds.	(1,526,845)
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Net Position-Total Governmental Activities	\$ 368,503
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The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Health Leadership High School
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit)
Governmental Funds
For The Year Ended June 30, 2015

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101
REVENUES				
Property Taxes	\$ -	-	-	-
Local & County Grant	287	-	-	-
State Grant	1,876,805	6,189	-	-
Federal Grant	-	-	30,850	37,671
Charges for Services	1,765	-	84	-
Miscellaneous Income	1,200	-	-	-
Total Revenues	1,880,057	6,189	30,934	37,671
EXPENDITURES				
Current:				
Instruction	463,462	3,370	-	37,671
Support Services:				
Students	297,391	-	-	-
Instruction	152,303	-	-	-
General Administration	75,002	-	-	-
School Administration	169,759	-	-	-
Central Services	74,543	-	-	-
Operation & Maintenance of Plant	108,736	-	-	-
Food Services Operations	-	-	35,649	-
Capital Outlay	-	-	-	-
Total Expenditures	1,341,196	3,370	35,649	37,671
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>538,861</u>	<u>2,819</u>	<u>(4,715)</u>	<u>-</u>
Other financing sources (uses):				
Operating transfers	(3,054)	-	-	-
Total other financing sources (uses):	<u>(3,054)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>535,807</u>	<u>2,819</u>	<u>(4,715)</u>	<u>-</u>
Fund Balances(Deficit) - Beginning of Year	<u>7,188</u>	<u>4,270</u>	<u>5,153</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ 542,995</u>	<u>7,089</u>	<u>438</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements

IDEA-B Entitlement 24106	Daniels Fund 26141	Partners for Developing Futures 26208	College Advisors 27189	Private Direct Grant 29102	McCune 29114
-	-	-	-	-	-
-	-	-	-	50,200	20,000
-	-	-	65,000	-	-
35,036	-	-	-	-	-
-	-	-	-	-	-
-	5,267	-	-	-	-
<u>35,036</u>	<u>5,267</u>	<u>-</u>	<u>65,000</u>	<u>50,200</u>	<u>20,000</u>
35,036	-	1,319	-	25,261	47
-	-	-	-	-	-
-	-	-	-	130	-
-	-	-	65,000	-	-
-	-	3,330	-	-	-
-	-	-	-	3,390	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>35,036</u>	<u>-</u>	<u>4,649</u>	<u>65,000</u>	<u>28,781</u>	<u>47</u>
-	5,267	(4,649)	-	21,419	19,953
-	-	-	-	3,054	-
-	-	-	-	3,054	-
-	5,267	(4,649)	-	24,473	19,953
-	(5,267)	6,724	-	3,162	27,970
-	-	2,075	-	27,635	47,923

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Health Leadership High School
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit) (continued)
Governmental Funds
For The Year Ended June 30, 2015

	Public School Capital Outlay 31200	Special Capital Outlay 31400	Capital Improvement 31700	Total
REVENUES				
Property Taxes	\$ -	-	19,656	19,656
Local & County Grant	-	-	-	70,487
State Grant	107,293	168,135	-	2,223,422
Federal Grant	-	-	-	103,557
Charges for Services	-	-	-	1,849
Miscellaneous Income	-	-	-	6,467
Total Revenues	<u>107,293</u>	<u>168,135</u>	<u>19,656</u>	<u>2,425,438</u>
EXPENDITURES				
Current:				
Instruction	-	-	-	566,166
Support Services:				
Students	-	-	-	297,391
Instruction	-	-	-	152,433
General Administration	-	-	-	140,002
School Administration	-	-	-	173,089
Central Services	-	-	-	77,933
Operation & Maintenance of Plant	-	-	-	108,736
Food Services Operations	-	-	-	35,649
Capital Outlay	107,293	168,135	-	275,428
Total Expenditures	<u>107,293</u>	<u>168,135</u>	<u>-</u>	<u>1,826,827</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>19,656</u>	<u>598,611</u>
Other financing sources (uses):				
Operating transfers	-	-	-	-
Total other financing sources (uses):	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>19,656</u>	<u>598,611</u>
Fund Balances(Deficit) - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>49,200</u>
Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>19,656</u>	<u>647,811</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Health Leadership High School
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances (Deficit) of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2015

Net Change in Fund Balances-Total Governmental Funds **\$ 598,611**

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

Capital outlays to purchase or build capital assets are reported in
 governmental funds as expenditures. However, for governmental
 activities those costs are shown in the Statement of Net Position and
 allocated over their estimated useful lives as annual depreciation
 expenses in the Statement of Activities. This is the amount by which
 capital outlay exceeds depreciation for the period

Capital Outlays	40,777	
Depreciation Expense	(7,115)	
	33,662	33,662

Changes in long-term liabilities

Change in the net pension liability	(409,947)	
	(409,947)	(409,947)

Change in Net Position-Total Governmental Activities **\$ 222,326**

The accompanying notes are an integral part of these financial statements

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Capital Assets. Capital assets purchased or acquired are 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. Health Leadership High School's capitalization policy (i.e., the dollar value above which the asset acquisitions are added to the capital accounts) is \$5,000. Health Leadership High School does not capitalize any interest with regard to its capital assets.

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

Furniture, Fixtures and Equipment	3-7 years
-----------------------------------	-----------

Capital assets for Health Leadership High School are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB's Fiduciary Net Position have been determined on the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Health Leadership High School
Notes to the Financial Statements
June 30, 2015

NOTE 2. CAPITAL ASSETS

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

	<u>Balance</u> <u>June 30, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2015</u>
<i>Capital Assets being Depreciated:</i>				
Furniture, Fixtures and Equipment	\$ -	40,777	-	40,777
<i>Total</i>	-	40,777	-	40,777
<i>Less: Accumulated Depreciation</i>				
Furniture, Fixtures and Equipment	-	(7,115)	-	(7,115)
<i>Total</i>	-	(7,115)	-	(7,115)
Capital Assets, Net	\$ -	33,662	-	33,662

Depreciation expensed for the year ended June 30, 2015 was expensed to the following function:

Capital Outlay	\$ 7,115
Total	<u>\$ 7,115</u>

NOTE 3. COMMITMENTS AND LIABILITIES

Health Leadership High School leases facilities under long-term cancelable operating leases. Lease expenses for the year ended June 30, 2015 was \$143,000. The Health Leadership High School's minimum future payments on this lease are as follows:

Year Ending June 30:	
2016	\$ 192,000
2017	241,000
Total	<u>\$ 433,000</u>

NOTE 4. RELATED PARTY TRANSACTIONS

The business manager for Health Leadership High School during fiscal year 2015 was also the business manager for Ace Leadership High School.

NOTE 5. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to Health Leadership High School and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions. The contribution requirements of defined benefit plan members and Health Leadership High School are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year ended June 30, 2014, employers contributed 13.15% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.10% of their gross annual salary. For fiscal year ended June 30, 2015 employers contributed 13.90% and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 contributed an increased amount of 10.70% of their gross annual salary. Contributions to the pension plan from Health Leadership High School were \$128,618 for the year ended June 30, 2015.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2013. The total ERB pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2014, using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date June 30, 2014. At June 30, 2015, Health Leadership High School reported a liability of \$1,526,845 for its proportionate share of the net pension liability. Health Leadership High School's proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2014. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2014, Health Leadership High School's proportion was 0.02676%, which was an increase of 0.02676% from its proportion measured as of June 30, 2013.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Health Leadership High School
Notes to the Financial Statements
June 30, 2015

NOTE 5. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

For the year ended June 30, 2015, Health Leadership High School recognized pension expense of \$538,565. At June 30, 2015, Health Leadership reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	22,741
Net difference between projected and actual earnings on pension plan investments	-	138,773
Changes in proportion and differences between Health Leadership High School contributions and proportionate share of contributions	1,246,771	-
Health Leadership High School contributions subsequent to the measurement date	128,618	-
	<hr/>	<hr/>
Total	<u>\$ 1,375,389</u>	<u>161,514</u>

The amount of \$128,618 reported as deferred outflows of resources related to pensions resulting from Health Leadership High School contributions subsequent to the measurement date of June 30, 2014 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2016	\$ (390,310)
2017	(390,310)
2018	(339,309)
2019	34,672
Total	<u>\$ (1,085,257)</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Health Leadership High School
 Notes to the Financial Statements
 June 30, 2015

NOTE 5. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

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

	<u>1% Decrease (6.75%)</u>	<u>Current Discount Rate (7.75%)</u>	<u>1% Increase (8.75%)</u>
Health Leadership High School’s proportionate share of the net pension liability	\$ 2,077,450	1,526,845	1,066,752

Payables to the pension plan. At June 30, 2015, Health Leadership High School owed \$27,461 to ERB for fiscal year 2015 contributions.

NOTE 6. RESTATEMENT

As a result of implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, net position at June 30, 2014 was restated in the amount of \$96,977.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
HEALTH LEADERSHIP COMMUNITY SCHOOLS
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2015

**New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data***
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.03%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 1,527	-	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 737	-	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	207.04%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30, 2014

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
HEALTH LEADERSHIP COMMUNITY SCHOOLS
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2015

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 97	-	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	97	-	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ -	-	-	-	-	-	-	-	-	-

Increase (Decrease) in Pension Expense over Recognition Periods

Year	Total Amount Deferred	Amortization Years	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
2014	\$ (1,085)	5	\$ (390)	(390)	(390)	(339)	34	-	-	-	-	-
2015	-	5	-	-	-	-	-	-	-	-	-	-
2016	-	5	-	-	-	-	-	-	-	-	-	-
2017	-	5	-	-	-	-	-	-	-	-	-	-
2018	-	5	-	-	-	-	-	-	-	-	-	-
2019	-	5	-	-	-	-	-	-	-	-	-	-
2020	-	5	-	-	-	-	-	-	-	-	-	-
2021	-	5	-	-	-	-	-	-	-	-	-	-
2022	-	5	-	-	-	-	-	-	-	-	-	-
2023	-	5	-	-	-	-	-	-	-	-	-	-
	\$ (1,085)		\$ (390)	(390)	(390)	(339)	34	-	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Health Leadership High School
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Local & County Grant	\$ 2,250	2,250	287	(1,963)
State Grant	2,133,987	1,876,805	1,876,805	-
Miscellaneous	-	-	1,200	1,200
Charges for Services	1,800	1,800	1,765	(35)
Total Revenues	2,138,037	1,880,855	1,880,057	(798)
EXPENDITURES				
Current:				
Instruction	716,031	628,078	459,943	168,135
Support Services:				
Students	415,764	365,764	296,278	69,486
Instruction	286,362	236,362	152,303	84,059
General Administration	96,309	96,309	75,002	21,307
School Administration	266,210	216,210	169,759	46,451
Central Services	96,928	86,928	76,144	10,784
Operation & Maintenance of Plant	265,729	256,500	136,947	119,553
Other Support Services Operations	15,000	15,000	-	15,000
Food Services Operations	5,000	5,000	-	5,000
Total Expenditures	2,163,333	1,906,151	1,366,376	539,775
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<i>(25,296)</i>	<i>(25,296)</i>	<i>513,681</i>	<i>538,977</i>
Other Financing Sources (Uses):				
Operating transfers	-	-	3,054	3,054
Designated Cash	25,296	25,296	-	(25,296)
Total Other Financing Sources (Uses):	25,296	25,296	3,054	(22,242)
Net Changes in Fund Balances	-	-	516,735	516,735
Cash or Fund Balances - Beginning of Year	-	-	7,188	7,188
Cash or Fund Balances - End of Year	\$ -	-	523,923	523,923
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>				
			\$ 513,681	
Adjustments to Revenues			-	
Adjustments to Expenditures			22,126	
NET CHANGE IN FUND BALANCE			\$ 535,807	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Health Leadership High School
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 3,567	3,567	6,189	2,622
Total Revenues	<u>3,567</u>	<u>3,567</u>	<u>6,189</u>	<u>2,622</u>
EXPENDITURES				
Current:				
Instruction	3,567	3,567	3,370	197
Total Expenditures	<u>3,567</u>	<u>3,567</u>	<u>3,370</u>	<u>197</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	2,819	2,819
Net Changes in Fund Balances	-	-	2,819	2,819
Cash or Fund Balances - Beginning of Year	-	-	4,270	4,270
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>7,089</u>	<u>7,089</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 2,819	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 2,819</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Health Leadership High School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Food Services 21000
 For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ -	60,000	30,934	(29,066)
Total Revenues	-	60,000	30,934	(29,066)
EXPENDITURES				
Food Services Operations	-	60,000	35,649	24,351
Total Expenditures	-	60,000	35,649	24,351
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(4,715)	(4,715)
Net Changes in Fund Balances	-	-	(4,715)	(4,715)
Cash or Fund Balances - Beginning of Year	-	-	5,153	5,153
Cash or Fund Balances - End of Year	\$ -	-	438	438
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (4,715)	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (4,715)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Health Leadership High School
Schedule of Budgetary Comparisons - Budgetary Basis
Title I - IASA 24101
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 27,795	37,671	27,795	(9,876)
Total Revenues	<u>27,795</u>	<u>37,671</u>	<u>27,795</u>	<u>(9,876)</u>
EXPENDITURES				
Current:				
Instruction	27,795	37,671	37,671	-
Total Expenditures	<u>27,795</u>	<u>37,671</u>	<u>37,671</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(9,876)	(9,876)
Net Changes in Fund Balances	-	-	(9,876)	(9,876)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(9,876)</u>	<u>(9,876)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (9,876)	
Adjustments to Revenues			9,876	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Health Leadership High School
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Entitlement 24106
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 15,345	35,036	36,722	1,686
Total Revenues	<u>15,345</u>	<u>35,036</u>	<u>36,722</u>	<u>1,686</u>
EXPENDITURES				
Current:				
Instruction	15,345	35,036	35,036	-
Total Expenditures	<u>15,345</u>	<u>35,036</u>	<u>35,036</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	1,686	1,686
Net Changes in Fund Balances	-	-	1,686	1,686
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>1,686</u>	<u>1,686</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 1,686	
Adjustments to Revenues			(1,686)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Health Leadership High School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Daniels Fund 26141
 For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
<i>Total Revenues</i>	\$ -	-	-	-
EXPENDITURES				
<i>Total Expenditures</i>	-	-	-	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
<i>Net Changes in Fund Balances</i>	-	-	-	-
<i>Cash or Fund Balances - Beginning of Year</i>	-	-	(5,267)	(5,267)
<i>Cash or Fund Balances - End of Year</i>	\$ -	-	(5,267)	(5,267)
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			5,267	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 5,267	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Health Leadership High School
Schedule of Budgetary Comparisons - Budgetary Basis
Partners for Developing Futures 26208
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
<i>Total Revenues</i>	\$ -	-	-	-
EXPENDITURES				
Current:				
Instruction	13,630	13,630	1,319	12,311
Support Services:				
School Administration	5,000	5,000	3,330	1,670
Total expenditures	<u>18,630</u>	<u>18,630</u>	<u>4,649</u>	<u>13,981</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(18,630)</u>	<u>(18,630)</u>	<u>(4,649)</u>	<u>13,981</u>
Other financing sources (uses):				
Designated Cash	6,724	6,724	-	(6,724)
Total other financing sources (uses):	<u>6,724</u>	<u>6,724</u>	<u>-</u>	<u>(6,724)</u>
Net changes in Fund Balances	<u>(11,906)</u>	<u>(11,906)</u>	<u>(4,649)</u>	<u>7,257</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>6,724</u>	<u>6,724</u>
Cash or Fund Balances - End of Year	<u>\$ (11,906)</u>	<u>(11,906)</u>	<u>2,075</u>	<u>13,981</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (4,649)	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (4,649)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Health Leadership High School
 Schedule of Budgetary Comparisons - Budgetary Basis
 College Advisors Initiative 27189
 For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	65,000	-	(65,000)
Total Revenues	<u>-</u>	<u>65,000</u>	<u>-</u>	<u>(65,000)</u>
EXPENDITURES				
Support Services:				
General Administration	-	65,000	65,000	-
Total Expenditures	<u>-</u>	<u>65,000</u>	<u>65,000</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(65,000)</u>	<u>(65,000)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(65,000)</u>	<u>(65,000)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(65,000)</u>	<u>(65,000)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (65,000)	
Adjustments to Revenues			65,000	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Health Leadership High School
Schedule of Budgetary Comparisons - Budgetary Basis
Private Direct Grants 29102
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Local & County Grant	\$ -	50,000	50,200	200
Total Revenues	<u>-</u>	<u>50,000</u>	<u>50,200</u>	<u>200</u>
EXPENDITURES				
Current:				
Instruction	3,000	53,000	24,441	28,559
Support Services:				
Instruction	959	959	130	829
Central Services	-	-	40	(40)
Total Expenditures	<u>3,959</u>	<u>53,959</u>	<u>24,611</u>	<u>29,348</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(3,959)</u>	<u>(3,959)</u>	<u>25,589</u>	<u>29,548</u>
Other financing sources (uses):				
Operating transfers	-	-	(3,054)	(3,054)
Designated Cash	3,959	3,959	-	(3,959)
Total other financing sources (uses):	<u>3,959</u>	<u>3,959</u>	<u>(3,054)</u>	<u>(7,013)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>22,535</u>	<u>22,535</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>3,162</u>	<u>3,162</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>25,697</u>	<u>25,697</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 25,589	
Adjustments to Revenues			-	
Adjustments to Expenditures			(1,116)	
NET CHANGE IN FUND BALANCE			<u>\$ 24,473</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Health Leadership High School
Schedule of Budgetary Comparisons - Budgetary Basis
McCune Charitable Foundation 29114
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Local & County Grant	\$ -	-	20,000	20,000
Total Revenues	<u>-</u>	<u>-</u>	<u>20,000</u>	<u>20,000</u>
EXPENDITURES				
Current:				
Instruction	11,500	11,500	47	11,453
Support Services:				
Instruction	365	365	-	365
General Administration	5,000	5,000	-	5,000
Total Expenditures	<u>16,865</u>	<u>16,865</u>	<u>47</u>	<u>16,818</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(16,865)</u>	<u>(16,865)</u>	<u>19,953</u>	<u>36,818</u>
Other financing sources (uses):				
Designated Cash	53	53	-	(53)
Total other financing sources (uses):	<u>53</u>	<u>53</u>	<u>-</u>	<u>(53)</u>
Net Changes in Fund Balances	<u>(16,812)</u>	<u>(16,812)</u>	<u>19,953</u>	<u>36,765</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>27,970</u>	<u>27,970</u>
Cash or Fund Balances - End of Year	<u>\$ (16,812)</u>	<u>(16,812)</u>	<u>47,923</u>	<u>64,735</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 19,953	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 19,953</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Health Leadership High School
Schedule of Budgetary Comparisons - Budgetary Basis
Public School Capital Outlay 31200
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	107,293	103,333	(3,960)
Total Revenues	<u>-</u>	<u>107,293</u>	<u>103,333</u>	<u>(3,960)</u>
EXPENDITURES				
Capital Outlay	-	107,293	107,293	-
Total Expenditures	<u>-</u>	<u>107,293</u>	<u>107,293</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(3,960)	(3,960)
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(3,960)</u>	<u>(3,960)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(3,960)</u>	<u>(3,960)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (3,960)	
Adjustments to Revenues			3,960	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Health Leadership High School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Special Capital Outlay 31400
 For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 242,556	242,556	60,876	(181,680)
Total Revenues	<u>242,556</u>	<u>242,556</u>	<u>60,876</u>	<u>(181,680)</u>
EXPENDITURES				
Current:				
Capital Outlay	242,556	242,556	168,135	74,421
Total Expenditures	<u>242,556</u>	<u>242,556</u>	<u>168,135</u>	<u>74,421</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(107,259)	(107,259)
Net Changes in Fund Balances	-	-	(107,259)	(107,259)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(107,259)</u>	<u>(107,259)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (107,259)	
Adjustments to Revenues			107,259	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Health Leadership High School
Schedule of Budgetary Comparisons - Budgetary Basis
Capital Improvements 31700
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Property Taxes	\$ 20,660	20,660	19,656	(1,004)
Total Revenues	<u>20,660</u>	<u>20,660</u>	<u>19,656</u>	<u>(1,004)</u>
EXPENDITURES				
Capital Outlay	20,660	20,660	-	20,660
Total Expenditures	<u>20,660</u>	<u>20,660</u>	<u>-</u>	<u>20,660</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	19,656	19,656
Net Changes in Fund Balances	-	-	19,656	19,656
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>19,656</u>	<u>19,656</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 19,656	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 19,656</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Health Leadership High School
 Schedule of Collateral Pledged by Depository for Public Funds
 June 30, 2015

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2015</u>
N/A	N/A	N/A	N/A	\$ -
				<u>\$ -</u>

Total Cash per Schedule of Cash Accounts:	\$	560,646
Less: FDIC coverage:		<u>(250,000)</u>
Uninsured Public Funds:		310,646
Collateral Requirement:		155,323
Pledged Collateral Held by Pledging Financial Institution:		<u>-</u>
Balance Over (Under) Collateralized:	\$	<u>(155,323)</u>
Balance Uninsured and Uncollateralized at June 30, 2015:	\$	<u>310,646</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Health Leadership High School
Schedule of Cash Accounts
June 30, 2015

<u>Bank Account Type</u>	<u>US Bank</u>
Checking - Operational Account	<u>\$ 560,646</u>
Reconciling Items	<u>(45,469)</u>
Reconciled Balance June 30, 2015	<u>515,177</u>
<i>Total Cash</i>	<u><u>\$ 515,177</u></u>

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Health Leadership High School
Cash Reconciliation
June 30, 2015

	Operational 11000	Instructional Materials 14000	Food Services 21000	Federal Projects Account 24000
Cash, June 30, 2014	\$ 17,153	4,270	1,772	-
Add:				
2014-15 revenues	1,880,057	6,189	30,934	64,517
Total Cash Available	1,897,210	10,459	32,706	64,517
Less:				
2014-15 expenditures	(1,366,376)	(3,370)	(35,649)	(72,707)
Receivables/Payables	34,981	-	-	(69)
Outstanding Loans	(155,609)	-	2,943	8,259
Cash June 30, 2015	410,206	7,089	-	-
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	-	-	-	-
Cash Per Books	410,206	7,089	-	-
Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	132,789	-	438	-
Fund Balance, Modified Accrual Basis	<u>\$ 542,995</u>	<u>7,089</u>	<u>438</u>	<u>-</u>

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

Local Grants Account 26000	State Account 27000	Local or State Account 29000	Public School Capital Outlay 31200	Special Capital Outlay 31400	Capital Improvement 31700	Total
10,728	-	6,269	-	-	-	40,192
-	-	70,200	103,333	60,876	19,656	2,235,762
10,728	-	76,469	103,333	60,876	19,656	2,275,954
(4,649)	(65,000)	(24,658)	(107,293)	(168,135)	-	(1,847,837)
(3,411)	23	23,747	17,395	14,394	-	87,060
-	64,977	-	(13,435)	92,865	-	-
2,668	-	75,558	-	-	19,656	515,177
-	-	-	-	-	-	-
2,668	-	75,558	-	-	19,656	515,177
(593)	-	-	-	-	-	132,634
2,075	-	75,558	-	-	19,656	647,811

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Health Sciences Academy
 Statement of Net Position
 June 30, 2015
 Unaudited

ASSETS

Current Assets:

Cash and Cash Equivalents	\$ 103,431
Receivables	
Due from Other Governments	87,292
Deposits	30,000
Total Current Assets	<u>220,723</u>

Noncurrent Assets:

Capital Assets	
Furniture, Fixtures, and Equipment	81,504
Less: Accumulated Depreciation	(13,932)
Total Noncurrent Assets	<u>67,572</u>
Total Assets	<u>288,295</u>

LIABILITIES

Current Liabilities:

Accounts Payable	1,140
Accrued Liabilities	40,309
Total Current Liabilities	<u>41,449</u>
Total Liabilities	<u>41,449</u>

NET POSITION

Investment in Capital Assets	67,572
Restricted	31,300
Unrestricted	147,974
Total Net Position	<u>\$ 246,846</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Health Sciences Academy
Statement of Activities
For The Year Ended June 30, 2015
Unaudited

Functions/Programs	Program Revenues				Net (Expenses) Revenues and Changes in Net Position
	Expenses	Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 803,642	-	70,288	-	(733,354)
Support Services:					
Students	121,414	-	-	-	(121,414)
Instruction	6,236	-	-	-	(6,236)
General Administration	91,143	-	-	-	(91,143)
School Administration	251,251	-	-	-	(251,251)
Central Services	104,978	-	-	-	(104,978)
Operation & Maintenance of Plant	164,622	-	-	-	(164,622)
Student Transportation	231,350	-	242,236	-	10,886
Food Services	102,622	-	81,300	-	(21,322)
Facilities Materials, Supplies & Other Services	189,288	-	-	217,376	28,088
Total Governmental Activities	\$ 2,066,546	-	393,824	217,376	(1,455,346)
General Revenues:					
State Equalization Guarantee					\$ 1,702,192
Total General Revenues					1,702,192
Change in Net Position					246,846
Net Position- Beginning					-
Net position, Ending					\$ 246,846

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Health Sciences Academy
Balance Sheets - Governmental Funds
June 30, 2015
Unaudited

	Operational 11000	Pupil Transportation 13000	Instructional Materials 14000	Food Services 21000
ASSETS				
Cash and Cash Equivalents	\$ 102,131	-	-	1,300
Accounts Receivable				
Due from Government	-	-	-	-
Due from Other Funds	98,349	-	-	-
Deposits	-	30,000	-	-
Total Assets	\$ 200,480	30,000	-	1,300
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 1,140	-	-	-
Accrued Expenditures	37,712	-	-	-
Due to Other Funds	-	13,654	-	-
Total Liabilities	38,852	13,654	-	-
Fund Balances				
Fund Balance:				
Nonspendable:				
Deposits	-	30,000	-	-
Restricted for:				
Food Service Operations	-	-	-	1,300
Unassigned (Deficit)	161,628	(13,654)	-	-
Total Fund Balance	161,628	16,346	-	1,300
Total Liabilities and Fund Balances	\$ 200,480	30,000	-	1,300

Title I IASA 24101	IDEA-B Entitlement 24106	Public School Capital Outlay 31200	Special Capital Outlay State 31400	Total
-	-	-	-	103,431
18,077	-	37,922	31,293	87,292
-	-	-	-	98,349
-	-	-	-	30,000
<u>18,077</u>	<u>-</u>	<u>37,922</u>	<u>31,293</u>	<u>319,072</u>
-	-	-	-	1,140
2,597	-	-	-	40,309
<u>15,480</u>	<u>-</u>	<u>37,922</u>	<u>31,293</u>	<u>98,349</u>
<u>18,077</u>	<u>-</u>	<u>37,922</u>	<u>31,293</u>	<u>139,798</u>
-	-	-	-	30,000
-	-	-	-	1,300
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>147,974</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>179,274</u>
<u>18,077</u>	<u>-</u>	<u>37,922</u>	<u>31,293</u>	<u>319,072</u>

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STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Health Sciences Academy
Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
June 30, 2015
Unaudited

Fund Balance - Total Governmental Funds **\$ 179,274**

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

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

Capital Assets	81,504	
Accumulated Depreciation	(13,932)	
	67,572	

Net Position-Total Governmental Activities		\$ 246,846
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STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Health Sciences Academy
Statement of Revenues, Expenditures, and Changes In Fund Balances
Governmental Funds
For The Year Ended June 30, 2015
Unaudited

	Operational 11000	Pupil Transportation 13000	Instructional Materials 14000	Food Services 21000
REVENUES				
Local & County Grant	\$ 239	-	-	-
State Grant	1,702,192	242,236	13,020	-
Federal Grant	-	-	-	81,300
Total Revenues	<u>1,702,431</u>	<u>242,236</u>	<u>13,020</u>	<u>81,300</u>
EXPENDITURES				
Current:				
Instruction	769,039	-	13,020	-
Support Services:				
Students	92,574	-	-	-
Instruction	6,236	-	-	-
General Administration	91,143	-	-	-
School Administration	251,251	-	-	-
Central Services	125,459	-	-	-
Operation & Maintenance of Plant	177,019	-	-	-
Student Transportation	5,460	225,890	-	-
Food Services Operations	22,622	-	-	80,000
Capital Outlay	-	-	-	-
Total Expenditures	<u>1,540,803</u>	<u>225,890</u>	<u>13,020</u>	<u>80,000</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>161,628</u>	<u>16,346</u>	<u>-</u>	<u>1,300</u>
Net Changes in Fund Balances	<u>161,628</u>	<u>16,346</u>	<u>-</u>	<u>1,300</u>
Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ 161,628</u>	<u>16,346</u>	<u>-</u>	<u>1,300</u>

Title I IASA 24101	IDEA-B Entitlement 24106	Public School Capital Outlay 31200	Special Capital Outlay State 31400	Total
-	-	-	-	239
-	-	151,690	65,686	2,174,824
<u>39,970</u>	<u>17,059</u>	<u>-</u>	<u>-</u>	<u>138,329</u>
<u>39,970</u>	<u>17,059</u>	<u>151,690</u>	<u>65,686</u>	<u>2,313,392</u>
12,054	16,135	-	-	810,248
27,916	924	-	-	121,414
-	-	-	-	6,236
-	-	-	-	91,143
-	-	-	-	251,251
-	-	-	-	125,459
-	-	-	-	177,019
-	-	-	-	231,350
-	-	-	-	102,622
-	-	151,690	65,686	217,376
<u>39,970</u>	<u>17,059</u>	<u>151,690</u>	<u>65,686</u>	<u>2,134,118</u>
-	-	-	-	179,274
-	-	-	-	179,274
-	-	-	-	-
-	-	-	-	179,274

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Health Sciences Academy
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2015
Unaudited

Net Change in Fund Balance -Total Governmental Funds **\$ 179,274**

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

Capital outlays to purchase or build capital assets are reported in
 governmental funds as expenditures. However, for governmental activities
 those costs are shown in the Statement of Net Position and allocated over
 their estimated useful lives as annual depreciation expenses in the
 Statement of Activities. This is the amount by which capital outlay exceeds
 depreciation for the period

Capital Outlays	81,504	
Depreciation Expense	(13,932)	
	67,572	

Change in Net Position-Total Governmental Activities		\$ 246,846
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STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Health Sciences Academy
Statement of Fiduciary Assets and Liabilities- Agency Funds
June 30, 2015
Unaudited

	<u>Agency</u>
ASSETS	
Cash in Bank	\$ 697
Total Assets	<u>\$ 697</u>
LIABILITIES	
Deposits Held for Others	\$ 697
Total Liabilities	<u>\$ 697</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Health Sciences Academy
 Schedule of Changes in Assets and Liabilities - Agency Funds
 For The Year Ended June 30, 2015
 Unaudited

	<u>Balance</u> <u>July 1, 2014</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2015</u>
ASSETS				
Cash in Bank	\$ -	3,257	(2,560)	697
Total Assets	<u>\$ -</u>	<u>3,257</u>	<u>(2,560)</u>	<u>697</u>
LIABILITIES				
Deposits Held for Others	\$ -	3,257	(2,560)	697
Total Liabilities	<u>\$ -</u>	<u>3,257</u>	<u>(2,560)</u>	<u>697</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Health Sciences Academy
Notes to the Financial Statements
June 30, 2015
Unaudited

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Capital Assets. Capital assets purchased or acquired are 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 Health Sciences Academy’s capitalization policy (i.e., the dollar value above which the asset acquisitions are added to the capital accounts) is \$5,000. The Health Sciences Academy does not capitalize any interest with regard to its capital assets.

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

Furniture, Fixtures and Equipment	5 years
Buildings and Improvements	40 years

Capital assets for the Health Sciences Academy are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB’s Fiduciary Net Position have been determined on the economic resources measurement focus and accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 2. CAPITAL ASSETS

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

	Balance			Balance
	<u>June 30, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2015</u>
<i>Capital Assets being Depreciated:</i>				
Furniture, Fixtures and Equipment	\$ -	81,504	-	81,504
<i>Total</i>	-	81,504	-	81,504
<i>Less: Accumulated Depreciation</i>				
Furniture, fixtures and equipment	-	(13,932)	-	(13,932)
<i>Total</i>	-	(13,932)	-	(13,932)
Capital Assets, Net	\$ -	67,572	-	67,572

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Health Sciences Academy
 Notes to the Financial Statements
 June 30, 2015
 Unaudited

NOTE 2. CAPITAL ASSETS (CONTINUED)

Depreciation expensed for the year ended June 30, 2015 was expensed to the following functions:

Facilities, Materials, Supplies & Other Services	\$ 13,932
Total	<u><u>\$ 13,932</u></u>

NOTE 3. COMMITMENTS AND LIABILITIES

The Health Sciences Academy leased equipment and facilities under long-term operating leases. Rental expense for the year ended June 30, 2015 was \$223,240. The Health Sciences Academy's has no minimum future payments on this lease.

NOTE 4. BUDGETARY OVERAGE

Health Sciences Academy expended in excess of the budget in the following fund and function:

Fund 14000 Instructional Materials – Instruction	\$2,538
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NOTE 5. SUBSEQUENT EVENTS

After fiscal year 2015, the New Mexico Public Education Department did not renew the school's charter agreement.

NOTE 6. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD

The Health Sciences Academy began operations in the fiscal year ending June 30, 2015. At the end of the fiscal the charter school ceased operations. Health Sciences Academy has made no provisions for net pension liability, deferred outflows of resources and deferred inflows of resources related to pension and pension expenses.

Payables to the pension plan. For the year ended June 30, 2015, Health Sciences Academy's accrued liability due to ERB was \$13,557 for payroll paid in July 2015.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Health Sciences Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2015
Unaudited

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Local & County Grant	\$ -	239	239	-
State Grant	1,784,547	1,702,193	1,702,192	(1)
Total Revenues	1,784,547	1,702,432	1,702,431	(1)
EXPENDITURES				
Current:				
Instruction	1,125,472	840,472	769,039	71,433
Support Services:				
Students	102,166	100,746	92,574	8,172
Instruction	5,000	9,490	6,236	3,254
General Administration	25,000	87,269	91,143	(3,874)
School Administration	166,791	282,839	251,251	31,588
Central Services	91,000	133,959	124,619	9,340
Operation & Maintenance of Plant	251,788	198,464	177,019	21,445
Student Transportation	17,330	5,468	5,460	8
Food Services Operations	-	43,725	22,622	21,103
Total Expenditures	1,784,547	1,702,432	1,539,963	162,469
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	162,468	162,468
Net Changes in Fund Balances	-	-	162,468	162,468
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	162,468	162,468
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 162,468	
Adjustments to Expenditures			(840)	
NET CHANGE IN FUND BALANCE			\$ 161,628	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Health Sciences Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Pupil Transportation 13000
For The Year Ended June 30, 2015
Unaudited

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 102,670	242,236	242,236	-
Total Revenues	<u>102,670</u>	<u>242,236</u>	<u>242,236</u>	<u>-</u>
EXPENDITURES				
Current:				
Student Transportation	102,670	242,236	225,890	16,346
Total Expenditures	<u>102,670</u>	<u>242,236</u>	<u>225,890</u>	<u>16,346</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>16,346</u>	<u>16,346</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>16,346</u>	<u>16,346</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>16,346</u>	<u>16,346</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 16,346	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 16,346</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Health Sciences Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2015
Unaudited

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 10,482	10,482	13,020	2,538
Total Revenues	<u>10,482</u>	<u>10,482</u>	<u>13,020</u>	<u>2,538</u>
EXPENDITURES				
Current:				
Instruction	10,482	10,482	13,020	(2,538)
Total Expenditures	<u>10,482</u>	<u>10,482</u>	<u>13,020</u>	<u>(2,538)</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Health Sciences Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Food Services 21000
For The Year Ended June 30, 2015
Unaudited

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ -	80,000	81,300	1,300
Total Revenues	<u>-</u>	<u>80,000</u>	<u>81,300</u>	<u>1,300</u>
EXPENDITURES				
Current:				
Food Services Operations	-	80,000	80,000	-
Total Expenditures	<u>-</u>	<u>80,000</u>	<u>80,000</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>1,300</u>	<u>1,300</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>1,300</u>	<u>1,300</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>1,300</u>	<u>1,300</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 1,300	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 1,300</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Health Sciences Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Title I IASA 24101
For The Year Ended June 30, 2015
Unaudited

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 109,148	77,934	21,893	(56,041)
Total Revenues	<u>109,148</u>	<u>77,934</u>	<u>21,893</u>	<u>(56,041)</u>
EXPENDITURES				
Current:				
Instruction	109,148	48,657	12,054	36,603
Support Services:				
Students	-	29,277	27,916	1,361
Total Expenditures	<u>109,148</u>	<u>77,934</u>	<u>39,970</u>	<u>37,964</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(18,077)</u>	<u>(18,077)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(18,077)</u>	<u>(18,077)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(18,077)</u>	<u>(18,077)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (18,077)	
Adjustments to Revenues			<u>18,077</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Health Sciences Academy
 Schedule of Budgetary Comparisons - Budgetary Basis
 IDEA-B Entitlement 24106
 For The Year Ended June 30, 2015
 Unaudited

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ -	17,059	17,059	-
Total Revenues	<u>-</u>	<u>17,059</u>	<u>17,059</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	-	16,135	16,135	-
Support Services:				
Students	-	924	924	-
Total Expenditures	<u>-</u>	<u>17,059</u>	<u>17,059</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Health Sciences Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Public School Capital Outlay 31200
For The Year Ended June 30, 2015
Unaudited

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	151,690	113,768	(37,922)
Total Revenues	<u>-</u>	<u>151,690</u>	<u>113,768</u>	<u>(37,922)</u>
EXPENDITURES				
Current:				
Capital Outlay	-	151,690	151,690	-
Total Expenditures	<u>-</u>	<u>151,690</u>	<u>151,690</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(37,922)</u>	<u>(37,922)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(37,922)</u>	<u>(37,922)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(37,922)</u>	<u>(37,922)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (37,922)	
Adjustments to Revenues			<u>37,922</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Health Sciences Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Special Capital Outlay State 31400
For The Year Ended June 30, 2015
Unaudited

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	133,000	34,393	(98,607)
Total Revenues	<u>-</u>	<u>133,000</u>	<u>34,393</u>	<u>(98,607)</u>
EXPENDITURES				
Current:				
Capital Outlay	-	133,000	65,686	67,314
Total Expenditures	<u>-</u>	<u>133,000</u>	<u>65,686</u>	<u>67,314</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(31,293)</u>	<u>(31,293)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(31,293)</u>	<u>(31,293)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(31,293)</u>	<u>(31,293)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (31,293)	
Adjustments to Revenues			<u>31,293</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Health Sciences Academy
 Schedule of Collateral Pledged by Depository for Public Funds
 June 30, 2015
 Unaudited

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2015</u>
N/A	N/A	N/A	N/A	\$ -
				<u>\$ -</u>

Total Cash per Schedule of Cash Accounts:	\$	119,839
Less: FDIC coverage:		<u>(119,839)</u>
Uninsured Public Funds:		-
Collateral Requirement:		-
Pledged Collateral Held by Pledging Financial Institution:		<u>-</u>
Balance Over Collateralized:	\$	<u>-</u>
Balance Uninsured and Uncollateralized at June 30, 2015:	\$	<u>-</u>

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STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Health Sciences Academy
Schedule of Cash Accounts
June 30, 2015
Unaudited

<u>Bank Account Type</u>	<u>Wells Fargo</u>
Checking - Operational Account	\$ 119,142
Checking - Activity Account	<u>697</u>
<i>Total on Deposit</i>	119,839
Reconciling Items	<u>(15,711)</u>
Reconciled Balance June 30, 2015	<u>104,128</u>
Less Agency Funds	<u>(697)</u>
<i>Total Cash</i>	<u><u>\$ 103,431</u></u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Health Sciences Academy
Cash Reconciliation
June 30, 2015
Unaudited

	Operational 11000	Pupil Transportation 13000	Instructional Materials 14000
	<u>11000</u>	<u>13000</u>	<u>14000</u>
Cash, June 30, 2014	\$ -	-	-
Add:			
2014-15 revenues	<u>1,702,431</u>	<u>242,236</u>	<u>13,020</u>
Total Cash Available	1,702,431	242,236	13,020
Less:			
2014-15 expenditures	(1,539,963)	(225,890)	(13,020)
Receivables/Payables	37,938	(30,000)	-
Outstanding Loans	<u>(98,349)</u>	<u>13,654</u>	<u>-</u>
Cash June 30, 2015	<u>102,057</u>	<u>-</u>	<u>-</u>
Fund Balance Reconciliations to GAAP Basis:			
Audit reclassifications to cash	74	-	-
Cash Per Books	<u>102,131</u>	<u>-</u>	<u>-</u>
Fund Balance Reconciliation to GAAP Basis:			
Modified Accrual Adjustments	<u>59,497</u>	<u>16,346</u>	<u>-</u>
Fund Balance, Modified Accrual Basis	<u>\$ 161,628</u>	<u>16,346</u>	<u>-</u>

Food Services 21000	Federal Projects Account 24000	Public School Capital Outlay 31200	Special Capital Outlay State 31400	Total
-	-	-	-	-
81,300	38,952	113,768	34,393	2,226,100
81,300	38,952	113,768	34,393	2,226,100
(80,000)	(57,029)	(151,690)	(65,686)	(2,133,278)
-	2,597	-	-	10,535
-	15,480	37,922	31,293	-
1,300	-	-	-	103,357
-	-	-	-	74
1,300	-	-	-	103,431
				<u>\$ 103,431</u>
-	-	-	-	75,843
1,300	-	-	-	179,274
				<u><u>\$ 179,274</u></u>
				Balance Sheets - Governmental Funds: <u><u>\$ 179,274</u></u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Horizon Academy West
Statement of Net Position
June 30, 2015

ASSETS

Current Assets:

Cash and Cash Equivalents	\$ 779,149
Receivables	
Due from Other Governments	337,472
Total Current Assets	<u>1,116,621</u>

Noncurrent Assets:

Capital Assets	
Land	164,000
Construction-in-process	3,424
Building and Improvements	5,124,083
Furniture, Fixtures, and Equipment	29,818
Less: Accumulated Depreciation	<u>(267,342)</u>
Total Capital Assets	5,053,983

Restricted Cash	<u>811,998</u>
Total Noncurrent Assets	<u>5,865,981</u>

Total Assets	<u>6,982,602</u>
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Deferred Outflows - Pension Related	<u>240,377</u>
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LIABILITIES

Current Liabilities:

Accrued Liabilities	302,262
Accrued Interest	130,800
Current Portion of Compensated Absences	11,844
Current Portion of Bonds Payable	<u>50,000</u>
Total Current Liabilities	<u>494,906</u>

Noncurrent Liabilities:

Bonds Payable	6,585,000
Net Pension Liability	<u>3,495,892</u>
Total Noncurrent Liabilities	<u>10,080,892</u>

Total Liabilities	<u>10,575,798</u>
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Deferred Inflows - Pension Related	<u>535,302</u>
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NET POSITION

Net Investment in Capital Assets	(769,019)
Restricted	1,176,215
Unrestricted (deficit)	<u>(4,295,317)</u>
Total Net Position	<u>\$ (3,888,121)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Horizon Academy West
Statement of Activities
For The Year Ended June 30, 2015

Functions/Programs	Program Revenues				Net (Expenses) Revenues and Changes in Net Position
	Expenses	Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 2,036,716	101,630	482,391	-	(1,452,695)
Support Services:					
Students	259,639	-	-	-	(259,639)
Instruction	68,684	-	-	-	(68,684)
General Administration	17,633	-	-	-	(17,633)
School Administration	285,140	-	-	-	(285,140)
Central Services	89,561	-	-	-	(89,561)
Operation & Maintenance of Plant	288,359	-	-	-	(288,359)
Interest on Long-term Debt	395,200	-	-	-	(395,200)
Food Services	251,971	24,414	228,585	-	1,028
Facilities Materials, Supplies & Other Services	153,441	-	-	325,328	171,887
Total Governmental Activities	\$ 3,846,344	126,044	710,976	325,328	(2,683,996)
General Revenues:					
Property Taxes					\$ 124,056
State Equalization Guarantee					2,943,340
Miscellaneous					4,978
Total General Revenues					3,072,374
Change in Net Position					388,378
Net Position, Beginning					(429,937)
Restatement Recognized by GASB 68					(3,846,562)
Net Position, Beginning, as Restated					(4,276,499)
Net position, Ending					\$ (3,888,121)

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Horizon Academy West
Balance Sheets - Governmental Funds
June 30, 2015

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101
ASSETS				
Cash and Cash Equivalents	\$ 433,551	15,573	92,301	-
Restricted Cash	-	-	-	-
Accounts Receivable				
Due from Government	-	-	-	70,788
Due from Other Funds	282,675	-	-	-
Deposits Related to Foundation	26,000	-	-	-
Total Assets	\$ 742,226	15,573	92,301	70,788
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accrued Expenditures	\$ 266,084	-	-	10,360
Due to Other Funds	-	-	-	60,428
Total Liabilities	266,084	-	-	70,788
Fund Balances				
Fund Balance:				
Nonspendable:				
Deposits	26,000	-	-	-
Restricted for:				
Instruction	-	15,573	-	-
Food Services	-	-	92,301	-
Debt Service	-	-	-	-
Capital Improvements	-	-	-	-
Assigned to:				
Subsequent Years Expenditures and Other Programs	450,142	-	-	-
Total Fund Balance	476,142	15,573	92,301	-
Total Liabilities and Fund Balances	\$ 742,226	15,573	92,301	70,788

The accompanying notes are an integral part of these financial statements

IDEA-B Entitlement 24106	IDEA-B Risk Pool 24120	Teacher Principal Training 24154	2012 GO Bond Student Library SB-66 27107	New Mexico Reads to Lead K-3 27114	Pre-K Initiative 27149
-	-	-	-	-	-
-	-	-	-	-	-
43,411	89	21,331	3,525	27,437	63,012
-	-	-	-	-	-
-	-	-	-	-	-
43,411	89	21,331	3,525	27,437	63,012
8,364	-	1,422	-	6,944	9,088
35,047	89	19,909	3,525	20,493	53,924
43,411	89	21,331	3,525	27,437	63,012
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
43,411	89	21,331	3,525	27,437	63,012

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Horizon Academy West
Balance Sheets - Governmental Funds (Continued)
June 30, 2015

	Breakfast for Elementary Students 27155	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Foundation	Total
ASSETS					
Cash and Cash Equivalents	\$ -	-	225,876	11,848	779,149
Restricted Cash	-	-	-	811,998	811,998
Accounts Receivable					
Due from Government	12,583	76,677	18,619	-	337,472
Due from Other Funds	-	-	-	-	282,675
Deposits Related to Foundation	-	-	-	-	26,000
Total Assets	\$ 12,583	76,677	244,495	823,846	2,237,294
LIABILITIES AND FUND BALANCES					
<i>Liabilities:</i>					
Accrued Expenditures	\$ -	-	-	26,000	328,262
Due to Other Funds	12,583	76,677	-	-	282,675
Total Liabilities	12,583	76,677	-	26,000	610,937
<i>Fund Balances</i>					
Fund Balance:					
Nonspendable:					
Deposits	-	-	-	-	26,000
Restricted for:					
Instruction	-	-	-	-	15,573
Food Services	-	-	-	-	92,301
Debt Service	-	-	-	797,846	797,846
Capital Improvements	-	-	244,495	-	244,495
Assigned to:					
Subsequent Years Expenditures and Other Programs	-	-	-	-	450,142
Total Fund Balance	-	-	244,495	797,846	1,626,357
Total Liabilities and Fund Balances	\$ 12,583	76,677	244,495	823,846	2,237,294

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Horizon Academy West
Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
June 30, 2015

Fund Balances - Total Governmental Funds **\$ 1,626,357**

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

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

Capital Assets	5,321,325	
Accumulated Depreciation	<u>(267,342)</u>	
		5,053,983

Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds. 240,377

Long-term liabilities are not due in the current period and, therefore, are not reported in the funds.

Compensated Absences	(11,844)	
Accrued Interest	(130,800)	
General Obligation Bonds	<u>(6,635,000)</u>	
		(6,777,644)

Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds. (535,302)

The net pension liability is not due and payable in the current period and, therefore, is not reported in the funds. (3,495,892)

Net Position-Total Governmental Activities **\$ (3,888,121)**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Horizon Academy West
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit)
Governmental Funds
For The Year Ended June 30, 2015

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101
REVENUES				
Property Taxes	\$ -	-	-	-
State Grant	2,943,340	32,514	-	-
Federal Grant	-	-	228,585	166,281
Charges for Services	101,630	-	24,414	-
Miscellaneous Income	4,796	-	-	-
Total Revenues	<u>3,049,766</u>	<u>32,514</u>	<u>252,999</u>	<u>166,281</u>
EXPENDITURES				
Current:				
Instruction	1,837,626	16,802	-	-
Support Services:				
Students	177,956	-	-	83,339
Instruction	25,835	-	-	40,272
General Administration	16,177	-	-	-
School Administration	236,104	-	-	42,670
Central Services	89,561	-	-	-
Operation & Maintenance of Plant	496,100	-	-	-
Food Services Operations	-	-	211,900	-
Capital Outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total Expenditures	<u>2,879,359</u>	<u>16,802</u>	<u>211,900</u>	<u>166,281</u>
Net Changes in Fund Balances	<u>170,407</u>	<u>15,712</u>	<u>41,099</u>	<u>-</u>
Fund Balances (Deficit) - Beginning of Year	<u>305,735</u>	<u>(139)</u>	<u>51,202</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ 476,142</u>	<u>15,573</u>	<u>92,301</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements

IDEA-B Entitlement 24106	IDEA-B Risk Pool 24120	Teacher Principal Training 24154	2012 GO Bond Student Library SB-66 27107	New Mexico Reads to Lead K-3 27114	Pre-K Initiative 27149
-	-	-	-	-	-
-	-	-	3,525	50,000	95,061
68,898	89	25,952	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>68,898</u>	<u>89</u>	<u>25,952</u>	<u>3,525</u>	<u>50,000</u>	<u>95,061</u>
68,898	-	24,906	-	50,000	82,275
-	89	-	-	-	931
-	-	-	3,525	-	-
-	-	-	-	-	124
-	-	1,046	-	-	11,731
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>68,898</u>	<u>89</u>	<u>25,952</u>	<u>3,525</u>	<u>50,000</u>	<u>95,061</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Horizon Academy West
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit) - Continued
Governmental Funds
For The Year Ended June 30, 2015

	Breakfast for Elementary Students 27155	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Foundation	Total
REVENUES					
Property Taxes	\$ -	-	124,056	-	124,056
State Grant	40,071	306,709	18,619	-	3,489,839
Federal Grant	-	-	-	-	489,805
Charges for Services	-	-	-	514,450	640,494
Miscellaneous Income	-	-	-	182	4,978
Total Revenues	40,071	306,709	142,675	514,632	4,749,172
EXPENDITURES					
Current:					
Instruction	-	-	-	-	2,080,507
Support Services:					
Students	-	-	-	-	262,315
Instruction	-	-	-	-	69,632
General Administration	-	-	1,332	-	17,633
School Administration	-	-	-	-	291,551
Central Services	-	-	-	-	89,561
Operation & Maintenance of Plant	-	-	-	-	496,100
Food Services Operations	40,071	-	-	-	251,971
Capital Outlay	-	306,709	18,619	15,204	340,532
Debt service					
Principal	-	-	-	80,000	80,000
Interest	-	-	-	396,600	396,600
Total Expenditures	40,071	306,709	19,951	491,804	4,376,402
Net Changes in Fund Balances	-	-	122,724	22,828	372,770
Fund Balances (Deficit) - Beginning of Year	-	-	121,771	775,018	1,253,587
Fund Balances - End of Year	\$ -	-	244,495	797,846	1,626,357

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Horizon Academy West
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances (Deficit) of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2015

Net Change in Fund Balances-Total Governmental Funds **\$ 372,770**

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

Change in Compensated Absences (1,595)

Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the Statement of Net Position and allocated over their estimated useful lives as annual depreciation expenses in the Statement of Activities. This is the amount by which capital outlay exceeds depreciation for the period

Capital Outlays	12,052	
Depreciation Expense	(131,994)	
		(119,942)

The issuance of long-term debt (e.g., bonds, notes, leases) provide current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.

Bonds Payable Principal Payments	80,000	
Change in Accrued Interest	1,400	
Change in Net Pension Liability	55,745	
		137,145

Change in Net Position-Total Governmental Activities **\$ 388,378**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Horizon Academy West
 Statement of Fiduciary Assets and Liabilities- Agency Funds
 June 30, 2015

	<u>Agency</u>
ASSETS	
Cash in Bank	\$ 28,360
Total Assets	<u>\$ 28,360</u>
LIABILITIES	
Deposits Held for Others	\$ 28,360
Total Liabilities	<u>\$ 28,360</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Horizon Academy West
 Schedule of Changes in Assets and Liabilities - Agency Funds
 For The Year Ended June 30, 2015

	<u>Balance</u> <u>July 1, 2014</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2015</u>
ASSETS				
Cash in Bank	\$ 31,713	26,907	(30,260)	28,360
Total Assets	<u>\$ 31,713</u>	<u>26,907</u>	<u>(30,260)</u>	<u>28,360</u>
LIABILITIES				
Deposits Held for Others	\$ 31,713	26,907	(30,260)	28,360
Total Liabilities	<u>\$ 31,713</u>	<u>26,907</u>	<u>(30,260)</u>	<u>28,360</u>

The accompanying notes are an integral part of these financial statements

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Capital Assets. Capital assets purchased or acquired are 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. Horizon Academy West's capitalization policy (i.e., the dollar value above which the asset acquisitions are added to the capital accounts) is \$5,000. Horizon Academy West does not capitalize any interest with regard to its capital assets.

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

Furniture, Fixtures and Equipment	5-7 years
Buildings and Improvements	40 years

Capital assets for Horizon Academy West are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB's Fiduciary Net Position have been determined on the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Horizon Academy West
Notes to the Financial Statements
June 30, 2015

NOTE 2. CAPITAL ASSETS

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

	<u>Balance</u> <u>June 30, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2015</u>
<i>Capital Assets not being Depreciated:</i>				
Land	\$ 164,000	-	-	164,000
Construction-in-process	-	3,424	-	3,424
<i>Total</i>	<u>164,000</u>	<u>3,424</u>	<u>-</u>	<u>167,424</u>
<i>Capital Assets being Depreciated:</i>				
Furniture, Fixtures and Equipment	25,140	8,628	(3,950)	29,818
Building and Improvements	5,124,083	-	-	5,124,083
<i>Total</i>	<u>5,149,223</u>	<u>8,628</u>	<u>(3,950)</u>	<u>5,153,901</u>
<i>Less: Accumulated Depreciation</i>				
Furniture, fixtures and equipment	(9,835)	(3,892)	3,950	(9,777)
Building and improvements	(129,463)	(128,102)	-	(257,565)
<i>Total</i>	<u>(139,298)</u>	<u>(131,994)</u>	<u>3,950</u>	<u>(267,342)</u>
Capital Assets, Net	<u>\$ 5,173,925</u>	<u>(119,942)</u>	<u>-</u>	<u>5,053,983</u>

Depreciation expensed for the year ended June 30, 2015 was expensed to the following functions:

Instruction	\$ 3,748
Facilities, Materials, Supplies & Other Services	128,246
Total	<u>\$ 131,994</u>

NOTE 3. COMMITMENTS AND LIABILITIES

Horizon Academy West leases equipment and facilities under long-term cancelable operating leases. Rental expenses for the year ended June 30, 2015 was \$532,290. Horizon Academy West's minimum future payments on these leases are as follows:

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Horizon Academy West
Notes to the Financial Statements
June 30, 2015

NOTE 3. COMMITMENTS AND LIABILITIES (CONTINUED)

Year Ending June 30:	
2016	\$ 516,317
2017	522,745
2018	523,096
2019	523,158
2020	522,931
2021- 2025	2,627,171
2026- 2030	2,617,780
2031- 2035	2,626,910
2036- 2040	2,623,610
2041- 2045	2,661,230
Total	<u><u>\$ 15,764,948</u></u>

Revenue Bonds are secured by pledges of certain revenues and assets. On October 1, 2012, Horizon Academy West, pursuant to a lease purchase agreement with Horizon Academy Foundation and indenture of trust, issued its Educational Facility Revenue Bonds Series 2012 in the aggregate principal amount of \$6,715,000. Bond proceeds were used to acquire, renovate and equip a 40,000 square foot charter school facility that will house classrooms from kindergarten through sixth grade. The Horizon Academy West pledges, transfers, and grants a security interest in and assigns to Wells Fargo Bank, N.A. to secure the payment of lease payments in accordance with the terms and provisions of the lease, all funds, monies, grants, or other distributions received by the School from the State of New Mexico with respect to Equalization Guarantee funding, State Leasing or account established by the Horizon Academy West, but specifically excluding State funding under the Charter School Act which is specifically dedicated to the payment of expenses of the Charter School which do not include payment of amounts due under the Lease and all such operating expenses of the Horizon Academy West required under State or federal laws to provide required educational program expenditures.

The total bond payable as of June 30, 2015 is as follows:

Series 2012 Education Facility Revenue Bond; Interest rate 5.25% due in quarterly installments; Maturing September 1, 2022	\$ 760,000
Series 2012 Education Facility Revenue Bond; Interest rate 6% due in quarterly installments; Maturing September 1, 2045	<u>5,875,000</u>
Total Bond Payable	<u><u>\$ 6,635,000</u></u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Horizon Academy West
Notes to the Financial Statements
June 30, 2015

NOTE 3. COMMITMENTS AND LIABILITIES (CONTINUED)

The aggregate amounts of principal maturities and interest of bonds payable are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 50,000	392,400	442,400
2017	85,000	389,775	474,775
2018	90,000	385,312	475,312
2019	95,000	380,587	475,587
2020	100,000	375,600	475,600
2021-2025	595,000	1,791,487	2,386,487
2026-2030	785,000	1,596,900	2,381,900
2031-2035	1,055,000	1,331,400	2,386,400
2036-2040	1,410,000	974,700	2,384,700
2041-2045	1,890,000	497,700	2,387,700
2046	480,000	28,800	508,800
Total	<u>\$ 6,635,000</u>	<u>8,144,661</u>	<u>14,779,661</u>

Horizon Academy West had a compensated absences balance of \$10,249 at the beginning of the fiscal year. Increases to the balance were \$1,595 which resulted in an ending balance of \$11,844. All of this balance is considered to be current.

NOTE 4. RELATED PARTY TRANSACTIONS

Horizon Academy West created a Foundation to construct a school. The Foundation is considered a component unit of Horizon Academy West and is presented as a blended component unit.

The accounting services for the Foundation were performed by Accounting and Consulting Group. A member of the Accounting and Consulting Group engagement team is an immediate family member of the Foundation's Treasurer. During fiscal year 2015, accounting service fees totaled \$6,902.

NOTE 5. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to Horizon Academy West and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions. The contribution requirements of defined benefit plan members and Horizon Academy West are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year ended June 30, 2014, employers contributed 13.15% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.10% of their gross annual salary. For fiscal year ended June 30, 2015 employers contributed 13.90% and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 contributed an increased amount of 10.70% of their gross annual salary. Contributions to the pension plan from Horizon Academy West were \$240,377 for the year ended June 30, 2015.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2013. The total ERB pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2014, using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date of June 30, 2014. At June 30, 2015, Horizon Academy West reported a liability of \$3,495,892 for its proportionate share of the net pension liability. Horizon Academy West's proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2014. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2014, Horizon Academy West's proportion was 0.06127%, which was a decrease of 0.00355% from its proportion measured as of June 30, 2013.

For the year ended June 30, 2015, Horizon Academy West recognized pension expense of \$184,632. At June 30, 2015, Horizon Academy West reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Horizon Academy West
Notes to the Financial Statements
June 30, 2015

NOTE 5. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	52,080
Net difference between projected and actual earnings on pension plan investments	-	317,816
Changes in proportion and differences between Horizon Academy West contributions and proportionate share of contributions	-	165,406
Horizon Academy West contributions subsequent to the measurement date	<u>240,377</u>	<u>-</u>
Total	<u>\$ 240,377</u>	<u>535,302</u>

The amount of \$240,377 reported as deferred outflows of resources related to pensions resulting from Horizon Academy West contributions subsequent to the measurement date of June 30, 2014 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2016	\$	154,989
2017		154,963
2018		145,902
2019		<u>79,448</u>
Total	\$	<u>535,302</u>

NOTE 5. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Sensitivity of Horizon Academy West’s proportionate share of the net pension liability to changes in the discount rate. The following table shows the sensitivity of the net pension liability to changes in the discount rate as of June 30, 2014. In particular, the table presents the (employer’s) net pension liability under the current single rate assumption, as if it were calculated using a discount rate one percentage point lower (6.75%) or one percentage point higher (8.75%) than the single discount rate.

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
The School’s proportionate share of the net pension liability	\$ 4,756,567	3,495,892	2,443,068

Payables to the pension plan. At June 30, 2015, Horizon Academy West owed \$73,304 to ERB for fiscal year 2015 contributions.

NOTE 6. OVERSPENT BUDGET LINE ITEM

As stated in finding 2015-005, Horizon Academy West had expenditures in excess of the budget in the following fund:

31700 SB-9 Capital Improvements (General Administration)	\$ 93
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NOTE 7. RESTATEMENT

As a result of implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, net position at June 30, 2014 was restated in the amount of \$(3,846,562).

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
HORIZON ACADEMY WEST
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2015

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.06%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 3,496	-	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 1,689	-	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	206.99%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30, 2014

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
HORIZON ACADEMY WEST
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2015

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 222	-	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	222	-	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ -	-	-	-	-	-	-	-	-	-

Year	Total Amount Deferred	Amortization Years	Increase (Decrease) in Pension Expense over Recognition Periods											
			2015	2016	2017	2018	2019	2020	2021	2022	2023	2024		
2014	\$ 535	5	\$ 155	155	146	79	-	-	-	-	-	-	-	-
2015	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2016	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2017	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2018	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2019	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2020	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2021	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2022	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2023	-	5	-	-	-	-	-	-	-	-	-	-	-	-
	\$ 535		\$ 155	155	146	79	-	-	-	-	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Horizon Academy West
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 2,654,730	2,943,340	2,943,340	-
Charges for Services	111,000	101,000	101,630	630
Miscellaneous	-	-	4,796	4,796
Total Revenues	2,765,730	3,044,340	3,049,766	5,426
EXPENDITURES				
Current:				
Instruction	1,851,456	1,987,105	1,842,483	144,622
Support Services:				
Students	156,112	235,071	178,477	56,594
Instruction	35,194	44,354	31,912	12,442
General Administration	100,755	102,305	16,177	86,128
School Administration	206,710	281,073	236,117	44,956
Central Services	76,431	86,849	89,561	(2,712)
Operation & Maintenance of Plant	501,791	537,595	514,910	22,685
Other Support Services Operations	80,000	80,000	-	80,000
Total Expenditures	3,008,449	3,354,352	2,909,637	444,715
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<i>(242,719)</i>	<i>(310,012)</i>	<i>140,129</i>	<i>450,141</i>
Other Financing Sources (Uses):				
Designated Cash	242,719	310,012	-	(310,012)
Total Other Financing Sources (Uses):	242,719	310,012	-	(310,012)
Net Changes in Fund Balances	-	-	140,129	140,129
Cash or Fund Balances - Beginning of Year	-	-	305,735	305,735
Cash or Fund Balances - End of Year	\$ -	-	445,864	445,864
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 140,129	
Adjustments to Revenues			-	
Adjustments to Expenditures			30,278	
NET CHANGE IN FUND BALANCE			\$ 170,407	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Horizon Academy West
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 21,246	32,514	32,514	-
Total Revenues	<u>21,246</u>	<u>32,514</u>	<u>32,514</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	21,246	34,190	18,617	15,573
Total Expenditures	<u>21,246</u>	<u>34,190</u>	<u>18,617</u>	<u>15,573</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>(1,676)</u>	<u>13,897</u>	<u>15,573</u>
Other Financing Sources (Uses):				
Designated Cash	-	1,676	-	(1,676)
Total Other Financing Sources (Uses):	<u>-</u>	<u>1,676</u>	<u>-</u>	<u>(1,676)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>13,897</u>	<u>13,897</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>(139)</u>	<u>(139)</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>13,758</u>	<u>13,758</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 13,897	
Adjustments to Revenues			-	
Adjustments to Expenditures			<u>1,815</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 15,712</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Horizon Academy West
Schedule of Budgetary Comparisons - Budgetary Basis
Food Services 21000
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 220,000	220,000	228,585	8,585
Charges for Services	26,500	26,500	24,414	(2,086)
Total Revenues	<u>246,500</u>	<u>246,500</u>	<u>252,999</u>	<u>6,499</u>
EXPENDITURES				
Current:				
Food Services Operations	291,500	297,702	211,900	85,802
Total Expenditures	<u>291,500</u>	<u>297,702</u>	<u>211,900</u>	<u>85,802</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(45,000)</u>	<u>(51,202)</u>	<u>41,099</u>	<u>92,301</u>
Other Financing Sources (Uses):				
Designated Cash	45,000	51,202	-	(51,202)
Total Other Financing Sources (Uses):	<u>45,000</u>	<u>51,202</u>	<u>-</u>	<u>(51,202)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>41,099</u>	<u>41,099</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>51,202</u>	<u>51,202</u>
Cash or Fund Balances (Deficit) - End of Year	<u>\$ -</u>	<u>-</u>	<u>92,301</u>	<u>92,301</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 41,099	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 41,099</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Horizon Academy West
Schedule of Budgetary Comparisons - Budgetary Basis
Title I IASA 24101
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 173,462	168,470	152,456	(16,014)
Total Revenues	<u>173,462</u>	<u>168,470</u>	<u>152,456</u>	<u>(16,014)</u>
EXPENDITURES				
Current:				
Support Services:				
Students	83,209	83,209	83,339	(130)
Instruction	41,386	41,386	40,272	1,114
School Administration	48,867	43,875	42,670	1,205
Total Expenditures	<u>173,462</u>	<u>168,470</u>	<u>166,281</u>	<u>2,189</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(13,825)</u>	<u>(13,825)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(13,825)</u>	<u>(13,825)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances (Deficit) - End of Year	<u>\$ -</u>	<u>-</u>	<u>(13,825)</u>	<u>(13,825)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (13,825)	
Adjustments to Revenues			13,825	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Horizon Academy West
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Entitlement 24106
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 80,041	173,124	35,250	(137,874)
Total Revenues	<u>80,041</u>	<u>173,124</u>	<u>35,250</u>	<u>(137,874)</u>
EXPENDITURES				
Current:				
Instruction	79,200	159,783	68,898	90,885
Support Services:				
Students	841	13,341	-	13,341
Total Expenditures	<u>80,041</u>	<u>173,124</u>	<u>68,898</u>	<u>104,226</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(33,648)</u>	<u>(33,648)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(33,648)</u>	<u>(33,648)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances (Deficit) - End of Year	<u>\$ -</u>	<u>-</u>	<u>(33,648)</u>	<u>(33,648)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (33,648)	
Adjustments to Revenues			33,648	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Horizon Academy West
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Risk Pool 24120
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ -	89	923	834
Total Revenues	<u>-</u>	<u>89</u>	<u>923</u>	<u>834</u>
EXPENDITURES				
Current:				
Support Services:				
Students	-	89	89	-
Total expenditures	<u>-</u>	<u>89</u>	<u>89</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>834</u>	<u>834</u>
Net changes in Fund Balances	<u>-</u>	<u>-</u>	<u>834</u>	<u>834</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances (Deficit) - End of Year	<u>\$ -</u>	<u>-</u>	<u>834</u>	<u>834</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ 834	
Adjustments to Revenues			(834)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Horizon Academy West
 Schedule of Budgetary Comparisons - Budgetary Basis
 Teacher Principal Training 24154
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 22,291	37,563	6,627	(30,936)
Total Revenues	<u>22,291</u>	<u>37,563</u>	<u>6,627</u>	<u>(30,936)</u>
EXPENDITURES				
Current:				
Instruction	22,291	32,388	24,906	7,482
Support Services:				
School Administration	-	5,175	1,046	4,129
Total expenditures	<u>22,291</u>	<u>37,563</u>	<u>25,952</u>	<u>11,611</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(19,325)</u>	<u>(19,325)</u>
Net changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(19,325)</u>	<u>(19,325)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances (Deficit) - End of Year	<u>\$ -</u>	<u>-</u>	<u>(19,325)</u>	<u>(19,325)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (19,325)	
Adjustments to Revenues			19,325	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Horizon Academy West
Schedule of Budgetary Comparisons - Budgetary Basis
2012 GO Bond Student Library SB-66 27107
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	3,525	-	(3,525)
Total Revenues	<u>-</u>	<u>3,525</u>	<u>-</u>	<u>(3,525)</u>
EXPENDITURES				
Current:				
Support Services:				
Instruction	-	3,525	3,525	-
Total Expenditures	<u>-</u>	<u>3,525</u>	<u>3,525</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(3,525)</u>	<u>(3,525)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(3,525)</u>	<u>(3,525)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(3,525)</u>	<u>(3,525)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (3,525)	
Adjustments to Revenues			3,525	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Horizon Academy West
 Schedule of Budgetary Comparisons - Budgetary Basis
 New Mexico Reads to Lead K-3 27114
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 50,000	50,000	22,563	(27,437)
Total Revenues	<u>50,000</u>	<u>50,000</u>	<u>22,563</u>	<u>(27,437)</u>
EXPENDITURES				
Current:				
Instruction	50,000	50,000	50,000	-
Total Expenditures	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(27,437)	(27,437)
Net Changes in Fund Balances	-	-	(27,437)	(27,437)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(27,437)</u>	<u>(27,437)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (27,437)	
Adjustments to revenues			27,437	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Horizon Academy West
Schedule of Budgetary Comparisons - Budgetary Basis
Pre-K Initiative 27149
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 120,000	120,000	121,851	1,851
Total Revenues	<u>120,000</u>	<u>120,000</u>	<u>121,851</u>	<u>1,851</u>
EXPENDITURES				
Current:				
Instruction	84,714	107,214	82,275	24,939
Support Services:				
Students	23,000	500	931	(431)
General Administration	12,286	12,286	124	12,162
School Administration	-	-	11,731	(11,731)
Total Expenditures	<u>120,000</u>	<u>120,000</u>	<u>95,061</u>	<u>24,939</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	26,790	26,790
Net Changes in Fund Balances	-	-	26,790	26,790
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>26,790</u>	<u>26,790</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 26,790	
Adjustments to Revenues			(26,790)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Horizon Academy West
Schedule of Budgetary Comparisons - Budgetary Basis
Breakfast for Elementary Students 27155
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	40,072	27,488	(12,584)
Total Revenues	<u>-</u>	<u>40,072</u>	<u>27,488</u>	<u>(12,584)</u>
EXPENDITURES				
Current:				
Food Services Operations	-	40,072	40,071	1
Total Expenditures	<u>-</u>	<u>40,072</u>	<u>40,071</u>	<u>1</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(12,583)</u>	<u>(12,583)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(12,583)</u>	<u>(12,583)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances (Deficit) - End of Year	<u>\$ -</u>	<u>-</u>	<u>(12,583)</u>	<u>(12,583)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (12,583)	
Adjustments to Revenues			12,583	
Adjustments to Expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Horizon Academy West
Schedule of Budgetary Comparisons - Budgetary Basis
Public School Capital Outlay 31200
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	306,709	310,224	3,515
Total Revenues	<u>-</u>	<u>306,709</u>	<u>310,224</u>	<u>3,515</u>
EXPENDITURES				
Capital Outlay	-	306,709	306,709	-
Total Expenditures	<u>-</u>	<u>306,709</u>	<u>306,709</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	3,515	3,515
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>3,515</u>	<u>3,515</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>3,515</u>	<u>3,515</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 3,515	
Adjustments to Revenues			(3,515)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Horizon Academy West
Schedule of Budgetary Comparisons - Budgetary Basis
SB-9 Capital Improvements 31700
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Property Taxes	\$ 123,961	118,136	124,056	5,920
State Grant	10,038	20,655	9,963	(10,692)
Total Revenues	<u>133,999</u>	<u>138,791</u>	<u>134,019</u>	<u>(4,772)</u>
EXPENDITURES				
Current:				
Support Services:				
General Administration	1,239	1,239	1,332	(93)
Capital Outlay	260,356	265,148	18,619	246,529
Total Expenditures	<u>261,595</u>	<u>266,387</u>	<u>19,951</u>	<u>246,436</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(127,596)</u>	<u>(127,596)</u>	<u>114,068</u>	<u>241,664</u>
Other Financing Sources (Uses):				
Designated Cash	127,596	127,596	-	(127,596)
Total Other Financing Sources (Uses):	<u>127,596</u>	<u>127,596</u>	<u>-</u>	<u>(127,596)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>114,068</u>	<u>114,068</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>121,771</u>	<u>121,771</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>235,839</u>	<u>235,839</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 114,068	
Adjustments to Revenues			8,656	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 122,724</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Horizon Academy West
 Schedule of Collateral Pledged by Depository for Public Funds
 June 30, 2015

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2015</u>
NM Bank & Trust	CTFS OBLIG	797882BA4	2/15/2017	\$ 399,889
				<u>\$ 399,889</u>
Total Cash in Bank for the School per Schedule of Cash Accounts:				\$ 857,932
Less: FDIC coverage:				<u>(250,000)</u>
Uninsured Public Funds:				607,932
Collateral Requirement:				303,966
Pledged Collateral Held by Pledging Financial Institution:				<u>399,889</u>
Balance Over Collateralized:				<u>\$ 95,923</u>
School Balance Uninsured and Uncollateralized at June 30, 2015:				<u>\$ 208,043</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Horizon Academy West
Schedule of Cash Accounts
June 30, 2015

<u>Bank Account Type</u>	<u>NM Bank & Trust</u>	<u>Wells Fargo</u>	<u>Total</u>
Checking - Operational Account	\$ 829,572	\$ -	\$ 829,572
Checking - Activity Account	28,360	-	28,360
Checking - Foundation	-	11,848	11,848
Money Market - Project Fund	-	70,994	70,994
Money Market - Reserve Fund	-	479,850	479,850
Money Market - Bond Interest Fund	-	130,956	130,956
Money Market - Bond Revenue Fund	-	4,001	4,001
Money Market - Bond Principal Fund	-	41,672	41,672
Money Market - Capital Reserve Account	-	84,525	84,525
<i>Total on Deposit</i>	<u>857,932</u>	<u>823,846</u>	<u>1,681,778</u>
Reconciling Items	<u>(62,271)</u>	<u>-</u>	<u>(62,271)</u>
Reconciled Balance June 30, 2015	<u>795,661</u>	<u>823,846</u>	<u>1,619,507</u>
Less Agency Funds	<u>(28,360)</u>	<u>-</u>	<u>(28,360)</u>
<i>Total Cash</i>	<u><u>\$ 767,301</u></u>	<u><u>\$ 823,846</u></u>	<u><u>\$ 1,591,147</u></u>

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Horizon Academy West
Cash Reconciliation
June 30, 2015

	Operational 11000	Instructional Materials 14000	Food Services 21000	Non-Instruct. Fund 23000
Cash, June 30, 2014	\$ 313,747	1,676	51,202	31,713
Add:				
2014-15 revenues	<u>3,049,766</u>	<u>32,514</u>	<u>252,999</u>	<u>26,907</u>
Total Cash Available	3,363,513	34,190	304,201	58,620
Less:				
2014-15 expenditures	(2,909,637)	(18,617)	(211,900)	(30,260)
Receivables/Payables	33,273	-	-	-
Outstanding Loans	<u>(53,598)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash June 30, 2015	<u>433,551</u>	<u>15,573</u>	<u>92,301</u>	<u>28,360</u>
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	-	-	-	-
Cash Per Books	<u>433,551</u>	<u>15,573</u>	<u>92,301</u>	<u>28,360</u>
Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	<u>42,591</u>	<u>-</u>	<u>-</u>	<u>(28,360)</u>
Fund Balance (Deficit), Modified Accrual Basis	<u>\$ 476,142</u>	<u>15,573</u>	<u>92,301</u>	<u>-</u>

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

Federal Projects Account 24000	State Account 27000	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Total
-	-	-	111,808	510,146
<u>195,256</u>	<u>171,902</u>	<u>310,224</u>	<u>134,019</u>	<u>4,173,587</u>
195,256	171,902	310,224	245,827	4,683,733
(261,220)	(188,657)	(306,709)	(19,951)	(3,946,951)
7,782	17,824	-	-	58,879
<u>58,182</u>	<u>(1,069)</u>	<u>(3,515)</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>225,876</u>	<u>795,661</u>
-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>225,876</u>	<u>795,661</u>
			Less - Agency Fund:	(28,360)
			Balance Sheet-Foundation:	<u>11,848</u>
				<u>\$ 779,149</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>18,619</u>	<u>32,850</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>244,495</u>	<u>828,511</u>
			Add: Foundation:	<u>797,846</u>
				<u>\$ 1,626,357</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 The International School at Mesa Del Sol
 Statement of Net Position
 June 30, 2015

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 538,820
Receivables	
Due from Other Governments	29,850
Other	<u>33,473</u>
Total Current Assets	<u>602,143</u>

Noncurrent Assets:

Capital Assets	
Building and Improvements	117,836
Furniture, Fixtures, and Equipment	115,311
Less: Accumulated Depreciation	<u>(62,974)</u>
Total Noncurrent Assets	<u>170,173</u>
Total Assets	<u>772,316</u>

Deferred Outflows - Pension Related	<u>525,059</u>
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LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accounts Payable	42,915
Accrued Liabilities	152,997
Compensated Absences	<u>43,345</u>
Total Current Liabilities	<u>239,257</u>

Noncurrent Liabilities:

Net Pension Liability	<u>2,511,083</u>
Total Noncurrent Liabilities	<u>2,511,083</u>
Total Liabilities	<u>2,750,340</u>

Deferred Inflows - Pension Related	<u>265,702</u>
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NET POSITION

Investment in Capital Assets	170,173
Restricted	177,055
Unrestricted (Deficit)	<u>(2,065,895)</u>
Total Net Position	<u>\$ (1,718,667)</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The International School at Mesa Del Sol
Statement of Activities
For The Year Ended June 30, 2015

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 1,290,434	-	245,836	-	(1,044,598)
Support Services:					
Students	162,007	-	-	-	(162,007)
Instruction	8,322	-	-	-	(8,322)
General Administration	53,367	-	-	-	(53,367)
School Administration	327,939	-	-	-	(327,939)
Central Services	107,270	-	-	-	(107,270)
Operation & Maintenance of Plant	128,936	-	-	-	(128,936)
Other Support Services	1,769	-	-	-	(1,769)
Student Transportation	66,422	-	86,132	-	19,710
Food Services	52,911	12,495	47,387	-	6,971
Facilities Materials, Supplies & Other Services	269,649	-	-	225,685	(43,964)
Total Governmental Activities	\$ 2,469,026	12,495	379,355	225,685	(1,851,491)
General Revenues:					
Property Taxes					\$ 91,319
State Equalization Guarantee					1,780,159
Total General Revenues					1,871,478
Change in Net Position					19,987
Net Position- Beginning of Year					355,203
Restatement					(2,093,857)
Net Position as Restated					(1,738,654)
Net position, Ending					\$ (1,718,667)

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The International School at Mesa Del Sol
Balance Sheets - Governmental Funds
June 30, 2015

	Operational 11000	Pupil Transportation 13000	Instructional Materials 14000	Food Services 21000
ASSETS				
Cash and Cash Equivalents	\$ 344,170	19,710	25,120	10,662
Due from Government	-	-	-	-
Due from Other Funds	29,850	-	-	-
Other	25,636	-	-	-
Total Assets	\$ 399,656	19,710	25,120	10,662
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 22,124	-	427	-
Accrued Expenditures	144,492	-	-	-
Due to Other Funds	-	-	-	-
Total Liabilities	166,616	-	427	-
Fund Balances (Deficit)				
Fund Balance:				
Restricted for:				
Instruction	-	-	24,693	-
Food Service Operations	-	-	-	10,662
Student Transportation	-	19,710	-	-
Capital Improvements	-	-	-	-
Unassigned	233,040	-	-	-
Total Fund Balance (Deficit)	233,040	19,710	24,693	10,662
Total Liabilities and Fund Balances	\$ 399,656	19,710	25,120	10,662

Title I IASA 24101	IDEA-B Entitlement 24106	IDEA-B Risk Pool 24120	Teacher Principal Training 24154	Title XIX Medicaid 25153	2012 SB-66 Student Library 27107	New Mexico Reads 27114
995	-	-	-	8,350	-	7,510
5,927	11,409	-	951	-	280	11,283
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>6,922</u>	<u>11,409</u>	<u>-</u>	<u>951</u>	<u>8,350</u>	<u>280</u>	<u>18,793</u>
-	-	64	3,800	-	-	-
995	-	-	-	-	-	7,510
5,927	11,409	-	951	-	280	11,283
<u>6,922</u>	<u>11,409</u>	<u>64</u>	<u>4,751</u>	<u>-</u>	<u>280</u>	<u>18,793</u>
-	-	-	-	8,350	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	(64)	(3,800)	-	-	-
-	-	(64)	(3,800)	8,350	-	-
<u>6,922</u>	<u>11,409</u>	<u>-</u>	<u>951</u>	<u>8,350</u>	<u>280</u>	<u>18,793</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The International School at Mesa Del Sol
Balance Sheets - Governmental Funds (Continued)
June 30, 2015

	Private Dir Grants (Categorical) 29102	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Total
ASSETS				
Cash and Cash Equivalents	\$ 30,654	-	91,649	538,820
Due from Government	-	-	-	29,850
Due from Other Funds	-	-	-	29,850
Other	-	-	7,837	33,473
Total Assets	\$ 30,654	-	99,486	631,993
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ -	-	16,500	42,915
Accrued Expenditures	-	-	-	152,997
Due to Other Funds	-	-	-	29,850
Total Liabilities	-	-	16,500	225,762
Fund Balances (Deficit)				
Fund Balance:				
Restricted for:				
Instruction	30,654	-	-	63,697
Food Service Operations	-	-	-	10,662
Student Transportation	-	-	-	19,710
Capital Improvements	-	-	82,986	82,986
Unassigned	-	-	-	229,176
Total Fund Balance (Deficit)	30,654	-	82,986	406,231
Total Liabilities and Fund Balances	\$ 30,654	-	99,486	631,993

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The International School at Mesa Del Sol
Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
June 30, 2015

Fund Balance - Total Governmental Funds **\$ 406,231**

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

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

Capital Assets	233,147	
Accumulated Depreciation	<u>(62,974)</u>	
		170,173

Defined benefit pension plan deferred outflows are not
 financial resources and, therefore, are not reported in the
 funds.

525,059

Compensated absences

(43,345)

Long-term liabilities are not due in the current period and,
 therefore, are not reported in the funds.

Net Pension Liability		(2,511,083)
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Defined benefit pension plan deferred inflows are not due and
 payable in the current period and, therefore, are not reported in the
 funds.

(265,702)

Net Position-Total Governmental Activities		<u><u>\$ (1,718,667)</u></u>
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STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The International School at Mesa Del Sol
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit)
Governmental Funds
For The Year Ended June 30, 2015

	Operational 11000	Pupil Transportation 13000	Instructional Materials 14000	Food Services 21000
REVENUES				
Property Taxes	\$ -	-	-	-
Local & County Grant	40,201	-	-	-
State Grant	1,780,159	86,132	19,062	-
Federal Grant	2,755	-	-	47,387
Charges for Services	-	-	-	12,495
Total Revenues	1,823,115	86,132	19,062	59,882
EXPENDITURES				
Current:				
Instruction	1,060,327	-	6,192	-
Support Services:				
Students	96,525	-	-	-
Instruction	7,283	-	-	-
General Administration	48,905	-	-	-
School Administration	281,828	-	-	-
Central Services	107,270	-	-	-
Operation & Maintenance of Plant	125,225	-	-	-
Student Transportation	-	66,422	-	-
Other Support Services Operations	1,769	-	-	-
Food Services Operations	-	-	-	52,911
Capital Outlay	-	-	-	-
Total Expenditures	1,729,132	66,422	6,192	52,911
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>93,983</u>	<u>19,710</u>	<u>12,870</u>	<u>6,971</u>
Net Changes in Fund Balances	<u>93,983</u>	<u>19,710</u>	<u>12,870</u>	<u>6,971</u>
Fund Balances - Beginning of Year	<u>139,057</u>	<u>-</u>	<u>11,823</u>	<u>3,691</u>
Fund Balances (Deficit) - End of Year	<u>\$ 233,040</u>	<u>19,710</u>	<u>24,693</u>	<u>10,662</u>

Title I IASA 24101	IDEA-B Entitlement 24106	IDEA-B Risk Pool 24120	Teacher Principal Training 24154	Title XIX Medicaid 25153	2012 SB-66 Student Library 27107	New Mexico Reads 27114
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	1,039	50,000
23,402	48,209	-	6,698	9,183	-	-
-	-	-	-	-	-	-
<u>23,402</u>	<u>48,209</u>	<u>-</u>	<u>6,698</u>	<u>9,183</u>	<u>1,039</u>	<u>50,000</u>
1,141	7,884	64	10,266	40	-	48,284
21,453	40,325	-	-	-	-	-
-	-	-	-	-	1,039	-
808	-	-	232	793	-	1,716
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>23,402</u>	<u>48,209</u>	<u>64</u>	<u>10,498</u>	<u>833</u>	<u>1,039</u>	<u>50,000</u>
<u>-</u>	<u>-</u>	<u>(64)</u>	<u>(3,800)</u>	<u>8,350</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>(64)</u>	<u>(3,800)</u>	<u>8,350</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>(64)</u>	<u>(3,800)</u>	<u>8,350</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 (Deficit) - Continued
Governmental Funds
For The Year Ended June 30, 2015

	Private Dir Grants (Categorical) 29102	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Total
REVENUES				
Property Taxes	\$ -	-	91,319	91,319
Local & County Grant	34,018	-	-	74,219
State Grant	-	225,685	11,269	2,173,346
Federal Grant	-	-	-	137,634
Charges for Services	-	-	-	12,495
Total Revenues	34,018	225,685	102,588	2,489,013
EXPENDITURES				
Current:				
Instruction	2,296	-	-	1,136,494
Support Services:				
Students	-	-	-	158,303
Instruction	-	-	-	8,322
General Administration	-	-	913	53,367
School Administration	-	-	-	281,828
Central Services	-	-	-	107,270
Operation & Maintenance of Plant	-	-	-	125,225
Student Transportation	-	-	-	66,422
Other Support Services Operations	-	-	-	1,769
Food Services Operations	-	-	-	52,911
Capital Outlay	30,000	225,685	62,329	318,014
Total Expenditures	32,296	225,685	63,242	2,309,925
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>1,722</u>	<u>-</u>	<u>39,346</u>	<u>179,088</u>
Net Changes in Fund Balances	<u>1,722</u>	<u>-</u>	<u>39,346</u>	<u>179,088</u>
Fund Balances - Beginning of Year	<u>28,932</u>	<u>-</u>	<u>43,640</u>	<u>227,143</u>
Fund Balances (Deficit) - End of Year	<u>\$ 30,654</u>	<u>-</u>	<u>82,986</u>	<u>406,231</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The International School at Mesa Del Sol
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2015

Net Change in Fund Balance-Total Governmental Funds **\$ 179,088**

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

Change in Compensated Absences (43,345)

Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the Statement of Net Position and allocated over their estimated useful lives as annual depreciation expenses in the Statement of Activities. This is the amount by which capital outlay exceeds depreciation for the period

Capital Outlays	48,365	
Depreciation Expense	(6,252)	
	42,113	42,113

The issuance of long-term debt (e.g., bonds, notes, leases) provide current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.

Change in Net Pension Liability	(157,869)	
	(157,869)	

Change in Net Position-Total Governmental Activities **\$ 19,987**

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 The International School at Mesa Del Sol
 Statement of Fiduciary Assets and Liabilities- Agency Funds
 June 30, 2015

	<u>Agency Funds</u>
ASSETS	
Cash in Bank	\$ 5,925
Total Assets	<u>\$ 5,925</u>
LIABILITIES	
Deposits Held for Others	\$ 5,925
Total Liabilities	<u>\$ 5,925</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 The International School at Mesa Del Sol
 Schedule of Changes in Assets and Liabilities - Agency Funds
 For The Year Ended June 30, 2015

	<u>Balance</u> <u>July 1, 2014</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2015</u>
ASSETS				
Cash in Bank	\$ 7,299	7,914	9,288	5,925
Total Assets	<u>\$ 7,299</u>	<u>7,914</u>	<u>9,288</u>	<u>5,925</u>
 LIABILITIES				
Deposits Held for Others	\$ 7,299	7,914	9,288	5,925
Total Liabilities	<u>\$ 7,299</u>	<u>7,914</u>	<u>9,288</u>	<u>5,925</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The International School at Mesa Del Sol
Notes to the Financial Statements
June 30, 2015

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Capital Assets. Capital assets purchased or acquired are 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 International School at Mesa Del Sol capitalization policy (i.e., the dollar value above which the asset acquisitions are added to the capital accounts) is \$5,000. The International School at Mesa Del Sol does not capitalize any interest with regard to its capital assets.

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

Furniture, Fixtures and Equipment	5 years
Buildings and Improvements	40 years

Capital assets for the International School at Mesa Del Sol are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB's Fiduciary Net Position have been determined on the economic resources measurement focus and accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The International School at Mesa Del Sol
Notes to the Financial Statements
June 30, 2015

NOTE 2. CAPITAL ASSETS

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

	<u>Balance</u> <u>June 30, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2015</u>
<i>Capital Assets being Depreciated:</i>				
Furniture, Fixtures and Equipment	\$ 66,946	48,365	-	115,311
Building and Improvements	117,836	-	-	117,836
<i>Total</i>	<u>184,782</u>	<u>48,365</u>	<u>-</u>	<u>233,147</u>
<i>Less: Accumulated Depreciation</i>				
Furniture, fixtures and equipment	(41,615)	(3,231)	-	(44,846)
Building and improvements	(15,107)	(3,021)	-	(18,128)
<i>Total</i>	<u>(56,722)</u>	<u>(6,252)</u>	<u>-</u>	<u>(62,974)</u>
Capital Assets, Net	<u>\$ 128,060</u>	<u>42,113</u>	<u>-</u>	<u>170,173</u>

Depreciation expensed for the year ended June 30, 2015 was expensed to the following functions:

Instruction	\$ 2,462
Facilities, Materials, Supplies & Other Services	3,790
Total	<u>\$ 6,252</u>

NOTE 3. COMMITMENTS AND LIABILITIES

The International School at Mesa Del Sol leased equipment and facilities under long-term cancelable operating leases. Rental expenses for the year ended June 30, 2015 was \$226,430. The International School at Mesa Del Sol minimum future payments on this lease are as follows:

Year Ending June 30:	
2016	\$ 164,642
2017	232,642
2018	547
Total	<u>\$ 397,831</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The International School at Mesa Del Sol
Notes to the Financial Statements
June 30, 2015

NOTE 3. COMMITMENTS AND LIABILITIES (CONTINUED)

The International School at Mesa Del Sol had a compensated absences balance of \$0 at the beginning of the fiscal year. Increases to the balance resulted in an ending balance of \$43,345. All of this balance is considered to be current.

NOTE 4. DEFICIT FUND BALANCE

The following funds had deficit fund balances at June 30, 2015:

Idea-B Risk Pool 24120	\$	64
Teacher Principal Training 24154	\$	3,800

The International School at Mesa Del Sol is addressing the negative fund balances and is planning on taking the appropriate actions to eliminate the negative balance.

NOTE 5. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to the International School at Mesa Del Sol and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions. The contribution requirements of defined benefit plan members and The International School at Mesa Del Sol are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year ended June 30, 2014 employers contributed 13.15% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.10% of their gross annual salary. For fiscal year ended June 30, 2015 employers contributed 13.90%, and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 contributed an increased amount of 10.70% of their gross annual salary. Contributions to the pension plan from The International School at Mesa Del Sol were \$147,213 for the year ended June 30, 2015.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The International School at Mesa Del Sol
Notes to the Financial Statements
June 30, 2015

NOTE 5. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2013. The total ERB pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2014, using generally accepted actuarial principles. Therefore, the employer’s portion was established as of the measurement date June 30, 2014. At June 30, 2015, The International School at Mesa Del Sol reported a liability of \$2,511,083 for its proportionate share of the net pension liability. The International School at Mesa Del Sol’s proportion of the net pension liability is based on the employer contributing entity’s percentage of total employer contributions for the fiscal year ended June 30, 2014. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2014, The International School at Mesa Del Sol’s proportion was 0.044% percent, which was an increase of 0.00811% from its proportion measured as of June 30, 2013.

For the year ended June 30, 2015, The International School at Mesa Del Sol recognized pension expense of \$305,082. At the June 30, 2015, The International School at Mesa Del Sol reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	37,410
Changes in assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	228,292
Changes in proportion and differences between The International School at Mesa Del Sol contributions and proportionate share of contributions	377,846	-
The International School at Mesa Del Sol contributions subsequent to the measurement date	147,213	-
Total	<u>\$ 525,059</u>	<u>265,702</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The International School at Mesa Del Sol
Notes to the Financial Statements
June 30, 2015

NOTE 5. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

\$147,213 reported as deferred outflows of resources related to pensions resulting from The International School at Mesa Del Sol contributions subsequent to the measurement date June 30, 2014 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2016	\$ (61,141)
2017	(61,141)
2018	(46,956)
2019	<u>57,094</u>
Total	<u>\$ (112,144)</u>

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

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
The International School at Mesa Del Sol's proportionate share of the net pension liability	<u>\$ 3,416,620</u>	<u>2,511,083</u>	<u>1,754,893</u>

Payables to the pension plan. As of June 30, 2015 The International School at Mesa Del Sol had a payable to ERB of \$22,435 which was paid on July 6, 2015.

NOTE 6. RESTATEMENT

As a result of implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, net position at June 30, 2014 was restated in the amount of \$(2,093,857).

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The International School at Mesa del Sol
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2015**

**New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)**

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.04%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 2,511	-	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 1,213	-	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	206.98%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30, 2014

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The International School at Mesa del Sol
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2015

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 160	-	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	160	-	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ -	-	-	-	-	-	-	-	-	-

Year	Total Amount Deferred	Amortization Years	Increase (Decrease) in Pension Expense over Recognition Periods											
			2015	2016	2017	2018	2019	2020	2021	2022	2023	2024		
2014	\$ (112)	5	\$ (61)	(61)	(61)	(47)	57	-	-	-	-	-	-	-
2015	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2016	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2017	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2018	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2019	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2020	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2021	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2022	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2023	-	5	-	-	-	-	-	-	-	-	-	-	-	-
	\$ (112)		\$ (61)	(61)	(61)	(47)	57	-	-	-	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The International School at Mesa Del Sol
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 1,779,274	1,780,162	1,780,159	(3)
Federal Grant	-	-	2,755	2,755
Total Revenues	<u>1,779,274</u>	<u>1,780,162</u>	<u>1,782,914</u>	<u>2,752</u>
EXPENDITURES				
Current:				
Instruction	1,144,197	1,083,743	1,055,121	28,622
Support Services:				
Students	99,918	128,409	104,907	23,502
Instruction	10,000	9,284	7,283	2,001
General Administration	53,530	93,269	57,515	35,754
School Administration	319,580	307,469	281,823	25,646
Central Services	122,691	113,123	111,361	1,762
Operation & Maintenance of Plant	147,037	160,144	129,294	30,850
Other Support Services Operations	-	2,400	-	2,400
Total Expenditures	<u>1,896,953</u>	<u>1,897,841</u>	<u>1,747,304</u>	<u>150,537</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	<u>(117,679)</u>	<u>(117,679)</u>	<u>35,610</u>	<u>153,289</u>
Net Changes in Fund Balances	<u>(117,679)</u>	<u>(117,679)</u>	<u>35,610</u>	<u>153,289</u>
Cash or Fund Balances - Beginning of Year	<u>206,053</u>	<u>206,053</u>	<u>206,053</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ 88,374</u>	<u>88,374</u>	<u>241,663</u>	<u>153,289</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ 35,610	
Adjustments to Revenues			40,201	
Adjustments to Expenditures			<u>18,172</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 93,983</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The International School at Mesa Del Sol
Schedule of Budgetary Comparisons - Budgetary Basis
Pupil Transportation 13000
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 68,432	68,432	86,132	17,700
Total Revenues	<u>68,432</u>	<u>68,432</u>	<u>86,132</u>	<u>17,700</u>
EXPENDITURES				
Current:				
Student Transportation	68,432	68,432	66,422	2,010
Total Expenditures	<u>68,432</u>	<u>68,432</u>	<u>66,422</u>	<u>2,010</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	19,710	19,710
Net Changes in Fund Balances	-	-	19,710	19,710
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>19,710</u>	<u>19,710</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 19,710	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 19,710</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The International School at Mesa Del Sol
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 15,850	15,850	19,062	3,212
Total Revenues	<u>15,850</u>	<u>15,850</u>	<u>19,062</u>	<u>3,212</u>
EXPENDITURES				
Current:				
Instruction	18,856	18,856	5,765	13,091
Total Expenditures	<u>18,856</u>	<u>18,856</u>	<u>5,765</u>	<u>13,091</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(3,006)</u>	<u>(3,006)</u>	<u>13,297</u>	<u>16,303</u>
Net Changes in Fund Balances	<u>(3,006)</u>	<u>(3,006)</u>	<u>13,297</u>	<u>16,303</u>
Cash or Fund Balances - Beginning of Year	<u>11,823</u>	<u>11,823</u>	<u>11,823</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ 8,817</u>	<u>8,817</u>	<u>25,120</u>	<u>16,303</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 13,297	
Adjustments to Expenditures			<u>(427)</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 12,870</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The International School at Mesa Del Sol
Schedule of Budgetary Comparisons - Budgetary Basis
Food Services 21000
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 51,078	51,078	47,387	(3,691)
Charges for Services	18,839	18,839	12,495	(6,344)
Total Revenues	<u>69,917</u>	<u>69,917</u>	<u>59,882</u>	<u>(10,035)</u>
EXPENDITURES				
Current:				
Food Services Operations	70,184	70,184	52,911	17,273
Total Expenditures	<u>70,184</u>	<u>70,184</u>	<u>52,911</u>	<u>17,273</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(267)</u>	<u>(267)</u>	<u>6,971</u>	<u>7,238</u>
Net Changes in Fund Balances	<u>(267)</u>	<u>(267)</u>	<u>6,971</u>	<u>7,238</u>
Cash or Fund Balances - Beginning of Year	<u>3,691</u>	<u>3,691</u>	<u>3,691</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ 3,424</u>	<u>3,424</u>	<u>10,662</u>	<u>7,238</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 6,971	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 6,971</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The International School at Mesa Del Sol
Schedule of Budgetary Comparisons - Budgetary Basis
Title I IASA 24101
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 31,081	31,081	20,815	(10,266)
Total Revenues	<u>31,081</u>	<u>31,081</u>	<u>20,815</u>	<u>(10,266)</u>
EXPENDITURES				
Current:				
Instruction	31,081	7,848	1,141	6,707
Support Services:				
Students	-	22,158	21,453	705
General Administration	-	1,075	808	267
Total Expenditures	<u>31,081</u>	<u>31,081</u>	<u>23,402</u>	<u>7,679</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(2,587)	(2,587)
Net Changes in Fund Balances	-	-	(2,587)	(2,587)
Cash or Fund Balances - Beginning of Year	159	159	159	-
Cash or Fund Balances - End of Year	<u>\$ 159</u>	<u>159</u>	<u>(2,428)</u>	<u>(2,587)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (2,587)	
Adjustments to Revenues			<u>2,587</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The International School at Mesa Del Sol
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Entitlement 24106
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ -	57,330	45,944	(11,386)
Total Revenues	<u>-</u>	<u>57,330</u>	<u>45,944</u>	<u>(11,386)</u>
EXPENDITURES				
Current:				
Instruction	-	7,885	7,884	1
Support Services:				
Students	-	49,445	40,325	9,120
Total Expenditures	<u>-</u>	<u>57,330</u>	<u>48,209</u>	<u>9,121</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(2,265)</u>	<u>(2,265)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(2,265)</u>	<u>(2,265)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(2,265)</u>	<u>(2,265)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (2,265)	
Adjustments to Revenues			<u>2,265</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The International School at Mesa Del Sol
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Risk Pool 24120
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ -	64	-	(64)
Total Revenues	<u>-</u>	<u>64</u>	<u>-</u>	<u>(64)</u>
EXPENDITURES				
Current:				
Instruction	-	64	-	64
Total Expenditures	<u>-</u>	<u>64</u>	<u>-</u>	<u>64</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Expenditures			<u>(64)</u>	
NET CHANGE IN FUND BALANCE			<u>\$ (64)</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The International School at Mesa Del Sol
Schedule of Budgetary Comparisons - Budgetary Basis
Teacher Principal Training 24154
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 10,970	13,575	12,761	(814)
Total Revenues	<u>10,970</u>	<u>13,575</u>	<u>12,761</u>	<u>(814)</u>
EXPENDITURES				
Current:				
Instruction	10,970	13,106	6,466	6,640
Support Services:				
General Administration	-	469	232	237
Total expenditures	<u>10,970</u>	<u>13,575</u>	<u>6,698</u>	<u>6,877</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	6,063	6,063
Net changes in Fund Balances	-	-	6,063	6,063
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>6,063</u>	<u>6,063</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 6,063	
Adjustments to Revenues			(6,063)	
Adjustments to Expenditures			(3,800)	
NET CHANGE IN FUND BALANCE			<u>\$ (3,800)</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The International School at Mesa Del Sol
Schedule of Budgetary Comparisons - Budgetary Basis
Title XIX Medicaid 25153
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ -	2,000	9,183	7,183
Total Revenues	<u>-</u>	<u>2,000</u>	<u>9,183</u>	<u>7,183</u>
EXPENDITURES				
Current:				
Instruction	-	840	40	800
Support Services:				
General Administration	-	1,160	793	367
Total Expenditures	<u>-</u>	<u>2,000</u>	<u>833</u>	<u>1,167</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>8,350</u>	<u>8,350</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>8,350</u>	<u>8,350</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>8,350</u>	<u>8,350</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 8,350	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 8,350</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 The International School at Mesa Del Sol
 Schedule of Budgetary Comparisons - Budgetary Basis
 2012 SB-66 Student Library 27107
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 2,145	2,145	1,437	(708)
Total Revenues	<u>2,145</u>	<u>2,145</u>	<u>1,437</u>	<u>(708)</u>
EXPENDITURES				
Current:				
Support Services:				
Instruction	2,145	2,145	1,039	1,106
Total Expenditures	<u>2,145</u>	<u>2,145</u>	<u>1,039</u>	<u>1,106</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	398	398
Net Changes in Fund Balances	-	-	398	398
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>398</u>	<u>398</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 398	
Adjustments to Expenditures			<u>(398)</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The International School at Mesa Del Sol
Schedule of Budgetary Comparisons - Budgetary Basis
New Mexico Reads 27114
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 50,000	50,000	40,717	(9,283)
Total Revenues	<u>50,000</u>	<u>50,000</u>	<u>40,717</u>	<u>(9,283)</u>
EXPENDITURES				
Current:				
Instruction	49,500	48,285	48,284	1
Total Expenditures	<u>49,500</u>	<u>48,285</u>	<u>48,284</u>	<u>1</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>500</u>	<u>1,715</u>	<u>(7,567)</u>	<u>(9,282)</u>
Net Changes in Fund Balances	<u>500</u>	<u>1,715</u>	<u>(7,567)</u>	<u>(9,282)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ 500</u>	<u>1,715</u>	<u>(7,567)</u>	<u>(9,282)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (7,567)	
Adjustments to Revenues			<u>7,567</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 The International School at Mesa Del Sol
 Schedule of Budgetary Comparisons - Budgetary Basis
 Private Dir Grants (Categorical) 29102
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Local & County Grant	\$ -	30,000	34,018	4,018
Total Revenues	<u>-</u>	<u>30,000</u>	<u>34,018</u>	<u>4,018</u>
EXPENDITURES				
Current:				
Instruction	18,870	18,870	8,760	10,110
Capital outlay	-	30,000	30,000	-
Total Expenditures	<u>18,870</u>	<u>48,870</u>	<u>38,760</u>	<u>10,110</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(18,870)</u>	<u>(18,870)</u>	<u>(4,742)</u>	<u>14,128</u>
Net Changes in Fund Balances	<u>(18,870)</u>	<u>(18,870)</u>	<u>(4,742)</u>	<u>14,128</u>
Cash or Fund Balances - Beginning of Year	<u>35,396</u>	<u>35,396</u>	<u>35,396</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ 16,526</u>	<u>16,526</u>	<u>30,654</u>	<u>14,128</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (4,742)	
Adjustments to Expenditures			<u>6,464</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 1,722</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The International School at Mesa Del Sol
Schedule of Budgetary Comparisons - Budgetary Basis
Public School Capital Outlay 31200
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	225,685	323,173	97,488
Total Revenues	<u>-</u>	<u>225,685</u>	<u>323,173</u>	<u>97,488</u>
EXPENDITURES				
Current:				
Capital Outlay	-	225,685	225,685	-
Total Expenditures	<u>-</u>	<u>225,685</u>	<u>225,685</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>97,488</u>	<u>97,488</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>97,488</u>	<u>97,488</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>97,488</u>	<u>97,488</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 97,488	
Adjustments to Revenues			<u>(97,488)</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The International School at Mesa Del Sol
Schedule of Budgetary Comparisons - Budgetary Basis
SB-9 Capital Improvements 31700
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Property Taxes	\$ 91,494	91,494	91,319	(175)
State Grant	6,018	11,269	3,432	(7,837)
Total Revenues	<u>97,512</u>	<u>102,763</u>	<u>94,751</u>	<u>(8,012)</u>
EXPENDITURES				
Current:				
Support Services:				
General Administration	-	915	913	2
Capital Outlay	109,630	113,966	45,829	68,137
Total Expenditures	<u>109,630</u>	<u>114,881</u>	<u>46,742</u>	<u>68,139</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(12,118)</u>	<u>(12,118)</u>	<u>48,009</u>	<u>60,127</u>
Net Changes in Fund Balances	<u>(12,118)</u>	<u>(12,118)</u>	<u>48,009</u>	<u>60,127</u>
Cash or Fund Balances - Beginning of Year	<u>43,640</u>	<u>43,640</u>	<u>43,640</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ 31,522</u>	<u>31,522</u>	<u>91,649</u>	<u>60,127</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 48,009	
Adjustments to Revenues			7,837	
Adjustments to Expenditures			<u>(16,500)</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 39,346</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 The International School at Mesa Del Sol
 Schedule of Collateral Pledged by Depository for Public Funds
 June 30, 2015

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2015</u>
Suntrust- NM Bank & Trust	Lindsay CA Sch Dist Bond	535545CB1	8/1/2013	\$ 379,926
				<u>\$ 379,926</u>

Total Cash per Schedule of Cash Accounts:	\$ 568,752
Less: FDIC coverage:	<u>(250,000)</u>
Uninsured Public Funds:	318,752
Collateral Requirement:	159,376
Pledged Collateral Held by Pledging Financial Institution:	<u>379,926</u>
Balance Over Collateralized:	<u>\$ 220,550</u>
Balance Uninsured and Uncollateralized at June 30, 2015:	<u>\$ -</u>

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STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 The International School at Mesa Del Sol
 Schedule of Cash Accounts
 June 30, 2015

Bank Account Type	New Mexico Bank & Trust
Checking - Operational Account	\$ 568,752
Total on Deposit	<u>568,752</u>
Reconciling Items	<u>(24,057)</u>
Reconciled Balance June 30, 2015	<u>544,695</u>
Less Agency Funds	(5,925)
Plus Petty Cash	<u>50</u>
Total Cash	<u><u>\$ 538,820</u></u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The International School at Mesa Del Sol
Cash Reconciliation
June 30, 2015

	Operational 11000	Pupil Transportation 13000	Instructional Materials 14000	Food Services 21000
Cash, June 30, 2014	\$ 179,357	-	11,823	3,691
Add:				
2014-15 revenues	<u>1,797,754</u>	<u>86,132</u>	<u>19,062</u>	<u>59,882</u>
Total Cash Available	1,977,111	86,132	30,885	63,573
Less:				
2014-15 expenditures	(1,750,106)	(66,422)	(5,765)	(52,911)
Receivables/Payables	147,015	-	-	-
Outstanding Loans	<u>(29,850)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash June 30, 2015	<u>344,170</u>	<u>19,710</u>	<u>25,120</u>	<u>10,662</u>
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	-	-	-	-
Cash Per Books	<u>344,170</u>	<u>19,710</u>	<u>25,120</u>	<u>10,662</u>
Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	<u>(111,130)</u>	<u>-</u>	<u>(427)</u>	<u>-</u>
Fund Balance (Deficit), Modified Accrual Basis	<u>\$ 233,040</u>	<u>19,710</u>	<u>24,693</u>	<u>10,662</u>

Federal Projects Account 24000	Federal Direct 25000	Local Grants 26000	State Account 27000	Local or State Fund 29000	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Total
(19,498)	-	(6,587)	(8,375)	35,396	(97,488)	43,640	141,959
<u>79,520</u>	<u>9,183</u>	<u>6,312</u>	<u>47,851</u>	<u>34,018</u>	<u>323,173</u>	<u>94,751</u>	<u>2,557,638</u>
60,022	9,183	(275)	39,476	69,414	225,685	138,391	2,699,597
(78,310)	(833)	-	(51,039)	(38,760)	(225,685)	(46,742)	(2,316,573)
996	-	275	7,510	-	-	-	155,796
<u>18,287</u>	<u>-</u>	<u>-</u>	<u>11,563</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>995</u>	<u>8,350</u>	<u>-</u>	<u>7,510</u>	<u>30,654</u>	<u>-</u>	<u>91,649</u>	<u>538,820</u>
-	-	-	-	-	-	-	-
<u>995</u>	<u>8,350</u>	<u>-</u>	<u>7,510</u>	<u>30,654</u>	<u>-</u>	<u>91,649</u>	<u>538,820</u>
							<u>\$ 538,820</u>
<u>(4,859)</u>	<u>-</u>	<u>-</u>	<u>(7,510)</u>	<u>-</u>	<u>-</u>	<u>(8,663)</u>	<u>(132,589)</u>
<u>(3,864)</u>	<u>8,350</u>	<u>-</u>	<u>-</u>	<u>30,654</u>	<u>-</u>	<u>82,986</u>	<u>406,231</u>
							<u>\$ 406,231</u>
							Balance Sheets - Governmental Funds: <u>\$ 406,231</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
J. Paul Taylor Academy
Statement of Net Position
June 30, 2015

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 17,758
Receivables	
Due from Other Governments	15,107
Total Current Assets	<u>32,865</u>

Noncurrent Assets:

Capital Assets	
Furnitures, Fixtures, and Equipment	17,045
Less: Accumulated Depreciation	<u>(17,045)</u>
Total Noncurrent Assets	<u>-</u>
Total Assets	<u>32,865</u>

Deferred Outflows - Pension Related	<u>272,213</u>
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LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accounts Payable	20,920
Accrued Liabilities	9,601
Total Current Liabilities	<u>30,521</u>

Noncurrent Liabilities:

Net Pension Liability	<u>1,719,128</u>
Total Noncurrent Liabilities	<u>1,719,128</u>
Total Liabilities	<u>1,749,649</u>

Deferred Inflows - Pension Related	<u>181,886</u>
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NET POSITION

Restricted	18,150
Unrestricted (Deficit)	<u>(1,644,607)</u>
Total Net Position	<u>\$ (1,626,457)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
J. Paul Taylor Academy
Statement Of Activities
For The Year Ended June 30, 2015

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental Activities:					
Instruction	\$ 1,046,028	64,163	97,726	-	(884,139)
Support Services:					
Students	151,188	-	-	-	(151,188)
Instruction	3,220	-	-	-	(3,220)
General Administration	22,909	-	-	-	(22,909)
School Administration	136,778	-	-	-	(136,778)
Central Services	101,048	-	-	-	(101,048)
Operation & Maintenance of Plant	85,306	-	-	-	(85,306)
Food Services	81,235	31,019	33,910	-	(16,306)
Facilities Materials, Supplies & Other Services	150,888	-	-	150,888	-
Total Governmental Activities	<u>\$ 1,778,600</u>	<u>95,182</u>	<u>131,636</u>	<u>150,888</u>	<u>(1,400,894)</u>

General Revenues:

State Equalization Guarantee	\$ 1,304,291
Total General Revenues	<u>1,304,291</u>

Change in Net Position (96,603)

Net Position - Beginning	45,644
Restatement	<u>(1,575,498)</u>
Net Position, as Restated	(1,529,854)
Net Position - Ending	<u>\$ (1,626,457)</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
J. Paul Taylor Academy
Balance Sheets - Governmental Funds
June 30, 2015

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101	IDEA-B Entitlement 24106
ASSETS					
Cash and Cash Equivalents	\$ 720	7,000	10,013	-	-
Accounts Receivable					
Due from Government	-	-	645	-	-
Due from Other Funds	17,215	467	-	-	-
Total Assets	\$ 17,935	7,467	10,658	-	-
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts Payable	\$ 16,190	-	-	-	4,730
Accrued Expenditures	9,601	-	-	-	-
Due to Other Funds	-	-	-	-	-
Total Liabilities	25,791	-	-	-	4,730
Fund Balances (Deficit)					
Fund Balance:					
Restricted for:					
Instruction	-	7,467	-	-	-
Food Service Operations	-	-	10,658	-	-
Unassigned (Deficit)	(7,856)	-	-	-	(4,730)
Total Fund Balance (Deficit)	(7,856)	7,467	10,658	-	(4,730)
Total Liabilities and Fund Balances (Deficit)	\$ 17,935	7,467	10,658	-	-

The accompanying notes are an integral part of these financial statements

IDEA-B Risk Pool 24120	Federal Charter School Planning 24146	Teacher Principal Training 24154	Spaceport Grant 26204	2012 SB-66 Student Library 27107	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Total Government
-	25	-	-	-	-	-	17,758
-	-	4,000	-	-	-	10,462	15,107
-	-	-	-	-	-	-	17,682
-	25	4,000	-	-	-	10,462	50,547
-	-	-	-	-	-	-	20,920
-	-	-	-	-	-	-	9,601
-	-	4,000	-	3,220	-	10,462	17,682
-	-	4,000	-	3,220	-	10,462	48,203
-	25	-	-	-	-	-	7,492
-	-	-	-	-	-	-	10,658
-	-	-	-	(3,220)	-	-	(15,806)
-	25	-	-	(3,220)	-	-	2,344
-	25	4,000	-	-	-	10,462	50,547

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STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 J. Paul Taylor Academy
 Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
 June 30, 2015

Fund Balance - Total Governmental Funds **\$ 2,344**

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

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

Capital Assets	17,045	
Accumulated Depreciation	(17,045)	
		-

Defined benefit pension plan deferred outflows are not financial resources and, therefore are not reported in the funds.		272,213
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Long-term liabilities are not due in the current period and, therefore, are not reported in the funds.

Net Pension Liability	(1,719,128)	
		(1,719,128)

Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds		(181,886)

Net Position - Total Governmental Activities **\$ (1,626,457)**

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
J. Paul Taylor Academy
Statement Of Revenues, Expenditures, And Changes In Fund Balances(Deficit)
Governmental Funds
For The Year Ended June 30, 2015

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101	IDEA-B Entitlement 24106
REVENUES					
Local & County Grant	\$ -	-	-	-	-
State Grant	1,304,291	13,518	-	-	-
Federal Grant	-	-	33,910	32,098	39,839
Charges for Services	64,163	-	31,019	-	-
Total Revenues	1,368,454	13,518	64,929	32,098	39,839
EXPENDITURES					
Current:					
Instruction	949,158	10,818	-	32,098	-
Support Services:					
Students	104,291	-	-	-	44,569
Instruction	-	-	-	-	-
General Administration	22,909	-	-	-	-
School Administration	131,438	-	-	-	-
Central Services	96,715	-	-	-	-
Operation & Maintenance of Plant	85,306	-	-	-	-
Food Services Operations	19,339	-	61,804	-	-
Capital Outlay	-	-	-	-	-
Total Expenditures	1,409,156	10,818	61,804	32,098	44,569
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	(40,702)	2,700	3,125	-	(4,730)
Net Changes in Fund Balances	(40,702)	2,700	3,125	-	(4,730)
Fund Balances (Deficit) - Beginning of Year	32,846	4,767	7,533	-	-
Fund Balances (Deficit) - End of Year	\$ (7,856)	7,467	10,658	-	(4,730)

The accompanying notes are an integral part of these financial statements

IDEA-B Risk Pool 24120	Federal Charter School Planning 24146	Teacher		Spaceport Grant 26204	2012 SB-66 Student Library 27107	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Total Government
		Principal Training 24154						
-	-	-		8,271	-	-	-	8,271
-	-	-		-	-	140,426	10,462	1,468,697
-	-	4,000		-	-	-	-	109,847
-	-	-		-	-	-	-	95,182
-	-	4,000		8,271	-	140,426	10,462	1,681,997
-	-	4,000		8,271	-	-	-	1,004,345
-	-	-		-	-	-	-	148,860
-	-	-		-	3,220	-	-	3,220
-	-	-		-	-	-	-	22,909
-	-	-		-	-	-	-	131,438
-	-	-		-	-	-	-	96,715
-	-	-		-	-	-	-	85,306
-	-	-		-	-	-	-	81,143
-	-	-		-	-	140,426	10,462	150,888
-	-	4,000		8,271	3,220	140,426	10,462	1,724,824
-	-	-		-	(3,220)	-	-	(42,827)
-	-	-		-	(3,220)	-	-	(42,827)
-	25	-		-	-	-	-	45,171
-	25	-		-	(3,220)	-	-	2,344

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 J. Paul Taylor Academy
 Reconciliation of the Statement of Revenues, Expenditures, and Changes
 in Fund Balances (Deficit) of Governmental Funds to the Statement of Activities
 For the Year Ended June 30, 2015

Net Change in Fund Balance - Total Governmental Funds **\$ (42,827)**

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

Capital Outlays to purchase or build capital assets are reported in
 governmental funds as expenditures. However, for governmental
 activities those costs are shown in the Statement of Net Position and
 allocated over their estimated useful lives as annual depreciation
 expenses in the Statement of Activities. This is the amount by which
 capital outlay exceeds depreciation for the period

Depreciation expense	(473)	(473)
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The issuance of long-term debt (e.g., bonds, notes, leases) provide
 current financial resources to governmental funds, while the repayment
 of the principal of long-term debt consumes the current financial
 resources of governmental funds. Neither transaction, however, has any
 effect on net position.

Changes in Net Pension Liability	(53,303)	
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Change in Net Position - Total Governmental Activities	\$ (96,603)	
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STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 J. Paul Taylor Academy
 Statement of Fiduciary Assets and Liabilities - Agency Funds
 June 30, 2015

	<u>Funds</u>
ASSETS	
Cash in Bank	\$ 13
Total Assets	<u>\$ 13</u>
LIABILITIES	
Deposits Held for Others	\$ 13
Total Liabilities	<u>\$ 13</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
J. Paul Taylor Academy
Schedule of Changes in Assets and Liabilities - Agency Funds
For The Year Ended June 30, 2015

	<u>Balance July 1, 2014</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2015</u>
ASSETS				
Cash in Bank	\$ 2,492	11,125	(13,604)	13
Total Assets	<u>\$ 2,492</u>	<u>11,125</u>	<u>(13,604)</u>	<u>13</u>
LIABILITIES				
Deposits Held for Others	\$ 2,492	11,125	(13,604)	13
Total Liabilities	<u>\$ 2,492</u>	<u>11,125</u>	<u>(13,604)</u>	<u>13</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
J. Paul Taylor Academy
Notes to the Financial Statements
June 30, 2015

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Capital Assets. Capital assets purchased or acquired are 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 J. Paul Taylor Academy's capitalization policy (i.e., the dollar value above which the asset acquisitions are added to the capital accounts) is \$5,000. The J. Paul Taylor Academy does not capitalize any interest with regard to its capital assets.

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

Furniture, Fixtures and Equipment	5 years
Buildings and Improvements	40 years

Capital assets for the J. Paul Taylor Academy are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB's Fiduciary Net Position have been determined on the economic resources measurement focus and accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
J. Paul Taylor Academy
Notes to the Financial Statements
June 30, 2015

NOTE 2. CAPITAL ASSETS

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

	<u>Balance</u> <u>June 30, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2015</u>
<i>Capital Assets being Depreciated:</i>				
Furniture, Fixtures and Equipment	\$ 17,045	-	-	17,045
<i>Total</i>	<u>17,045</u>	<u>-</u>	<u>-</u>	<u>17,045</u>
<i>Less: Accumulated Depreciation</i>				
Furniture, fixtures and equipment	(16,572)	(473)	-	(17,045)
<i>Total</i>	<u>(16,572)</u>	<u>(473)</u>	<u>-</u>	<u>(17,045)</u>
Capital Assets, Net	<u>\$ 473</u>	<u>(473)</u>	<u>-</u>	<u>-</u>

Depreciation expensed for the year ended June 30, 2015 was expensed to the following functions:

Instruction	\$ 251
Food Services	<u>222</u>
Total	<u>\$ 473</u>

NOTE 3. COMMITMENTS AND LIABILITIES

The J. Paul Taylor Academy leased equipment and facilities under long-term cancelable operating leases. Rental expenses for the year ended June 30, 2015 was \$145,200. The J. Paul Taylor Academy's minimum future payments on this lease are as follows:

Year Ending June 30:	
2016	\$ 140,992
2017	140,992
2018	140,992
2019	140,992
2020	<u>140,992</u>
Total	<u>\$ 704,960</u>

NOTE 4. RELATED PARTIES

The Business Manager of this school is also the Business Manager for Alma d' Arte Charter High School.

NOTE 5. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to the J. Paul Academy and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions. The contribution requirements of defined benefit plan members and J. Paul Taylor Academy are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year ended June 30, 2014 employers contributed 13.15% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.10% of their gross annual salary. For fiscal year ended June 30, 2015 employers contributed 13.90%, and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 contributed an increased amount of 10.70% of their gross annual salary. Contributions to the pension plan from J. Paul Taylor Academy were \$118,937 for the year ended June 30, 2015.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2013. The total ERB pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2014, using generally accepted actuarial principles. Therefore, the 2015, J. Paul Taylor Academy reported a liability of \$1,719,128 for its proportionate share of the net pension liability. J. Paul Taylor Academy's proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2014. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2014, J. Paul Taylor Academy's proportion was 0.03013%, which was a 0.00329% increase from its proportion measured as of June 30, 2013.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
J. Paul Taylor Academy
Notes to the Financial Statements
June 30, 2015

NOTE 5. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

For the year ended June 30, 2015, J. Paul Taylor Academy recognized pension expense of \$172,240. At the June 30, 2015, J. Paul Taylor Academy reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actuarial experience	\$ -	25,607
Changes in assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	156,279
Changes in proportion and differences between J. Paul Taylor Academy contributions and proportionate share of contributions	153,276	-
J. Paul Taylor Academy contributions subsequent to the measurement date	118,937	-
Total	\$ 272,213	181,886

\$118,937 reported as deferred outflows of resources related to pensions resulting from J. Paul Taylor Academy contributions subsequent to the measurement date June 30, 2014 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2016	\$ (5,260)
2017	(5,260)
2018	60
2019	39,070
Total	\$ 28,610

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 J. Paul Taylor Academy
 Notes to the Financial Statements
 June 30, 2015

NOTE 5. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

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

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
J. Paul Taylor Academy's proportionate share of the net pension liability	\$ 2,339,074	1,719,128	1,201,327

NOTE 6. DEFICIT FUND BALANCES

J. Paul Taylor Academy had three funds with deficit fund balances at June 30, 2015. They were the Operational Fund, IDEA-B Entitlement Fund and the 2012 SB-66 Student Library Fund, with deficits of \$7,856, \$4,730 and \$3,220, respectively. The Academy anticipates having surplus operations in FY 2016 to eliminate these differences.

NOTE 7. BUDGETARY OVERAGE

J. Paul Taylor Academy has expended in excess of the budget in the following fund and function:

Operational Fund (11000) – Instruction	\$ 354
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**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
J. Paul Taylor Academy
Notes to the Financial Statements
June 30, 2015**

NOTE 8. RESTATEMENT

As a result of implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, net position at June 30, 2014 was restated in the amount of \$(1,575,498).

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
J. Paul Taylor Academy
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2015

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.0301%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 1,719	-	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 831	-	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	206.86%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30, 2014

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
J. Paul Taylor Academy
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2015

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 109	-	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	109	-	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ -	-	-	-	-	-	-	-	-	-

Increase (Decrease) in Pension Expense over Recognition Periods

Year	Total Amount Deferred	Amortization Years	Increase (Decrease) in Pension Expense over Recognition Periods											
			2015	2016	2017	2018	2019	2020	2021	2022	2023	2024		
2014	\$ 29	5	\$ (5)	(5)	-	-	-	-	-	-	-	-	-	-
2015	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2016	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2017	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2018	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2019	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2020	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2021	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2022	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2023	-	5	-	-	-	-	-	-	-	-	-	-	-	-
	\$ 29		\$ (5)	(5)	-	-	-	-	-	-	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
J. Paul Taylor Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2015

	Budgeted Amounts			Variance Positive (Negative)
	Original Budget	Final Budget	Actual Amount	
REVENUES				
State Grant	\$ 1,389,357	1,304,291	1,304,291	-
Charges for Services	6,000	28,000	31,844	3,844
Total Revenues	1,395,357	1,332,291	1,336,135	3,844
EXPENDITURES				
Current:				
Instruction	949,942	916,102	916,456	(354)
Support Services:				
Students	85,505	112,376	107,811	4,565
General Administration	17,000	17,000	15,727	1,273
School Administration	134,783	131,783	131,113	670
Central Services	97,569	97,569	96,715	854
Operation & Maintenance of Plant	101,542	84,316	84,548	(232)
Food Services Operations	37,016	20,016	19,339	677
Total Expenditures	1,423,357	1,379,162	1,371,709	7,453
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	(28,000)	(46,871)	(35,574)	11,297
Net Changes in Fund Balances	(28,000)	(46,871)	(35,574)	11,297
Cash or Fund Balances - Beginning of Year	-	-	32,846	32,846
Cash or Fund Balances - End of Year	\$ (28,000)	(46,871)	(2,728)	44,143
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (35,574)	
Adjustments to Revenues			32,319	
Adjustments to Expenditures			(37,447)	
NET CHANGE IN FUND BALANCE			\$ (40,702)	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
J. Paul Taylor Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2015

	Budgeted Amounts			Variance Positive (Negative)
	Original Budget	Final Budget	Actual Amount	
REVENUES				
State Grant	\$ 9,510	10,818	13,518	2,700
Total Revenues	<u>9,510</u>	<u>10,818</u>	<u>13,518</u>	<u>2,700</u>
EXPENDITURES				
Current:				
Instruction	9,510	10,818	10,818	-
Total Expenditures	<u>9,510</u>	<u>10,818</u>	<u>10,818</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	2,700	2,700
Net Changes in Fund Balances	-	-	2,700	2,700
Cash or Fund Balances - Beginning of Year	-	-	4,767	4,767
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>7,467</u>	<u>7,467</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 2,700	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 2,700</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
J. Paul Taylor Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Food Services 21000
For The Year Ended June 30, 2015

	Budgeted Amounts			Variance Positive (Negative)
	Original Budget	Final Budget	Actual Amount	
REVENUES				
Federal Grant	\$ 33,000	33,000	30,989	(2,011)
Charges for Services	22,000	29,000	33,997	4,997
Total Revenues	55,000	62,000	64,986	2,986
EXPENDITURES				
Current:				
Food Services Operations	55,000	62,000	61,804	196
Total Expenditures	55,000	62,000	61,804	196
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	3,182	3,182
Net Changes in Fund Balances	-	-	3,182	3,182
Cash or Fund Balances - Beginning of Year	-	-	7,533	7,533
Cash or Fund Balances- End of Year	\$ -	-	10,715	10,715
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 3,182	
Adjustments to Revenues			(57)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 3,125	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
J. Paul Taylor Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Title I - IASA 24101
For The Year Ended June 30, 2015

	Budgeted Amounts			Variance Positive (Negative)
	Original Budget	Final Budget	Actual Amount	
REVENUES				
Federal Grant	\$ 22,831	32,098	32,098	-
Total Revenues	<u>22,831</u>	<u>32,098</u>	<u>32,098</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	22,831	32,098	32,098	-
Total Expenditures	<u>22,831</u>	<u>32,098</u>	<u>32,098</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
J. Paul Taylor Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Entitlement IDEA-B 24106
For The Year Ended June 30, 2015

	Budgeted Amounts			Variance Positive (Negative)
	Original Budget	Final Budget	Actual Amount	
REVENUES				
Federal Grant	\$ 35,829	39,839	39,839	-
Charges for Services	-	-	-	-
Total Revenues	35,829	39,839	39,839	-
EXPENDITURES				
Current:				
Support Services:				
Students	35,829	39,839	39,839	-
Total Expenditures	35,829	39,839	39,839	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
Net Changes in Fund Balances	-	-	-	-
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	-	-
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			(4,730)	
NET CHANGE IN FUND BALANCE			\$ (4,730)	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
J. Paul Taylor Academy
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Risk Pool 24120
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ -	41	15,993	15,952
Total Revenues	<u>-</u>	<u>41</u>	<u>15,993</u>	<u>15,952</u>
EXPENDITURES				
Current:				
Support Services:				
Students	-	41	-	41
Total Expenditures	<u>-</u>	<u>41</u>	<u>-</u>	<u>41</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>15,993</u>	<u>15,993</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>15,993</u>	<u>15,993</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>15,993</u>	<u>15,993</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 15,993	
Adjustments to Revenues			(15,993)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
J. Paul Taylor Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Teacher/Principal Training & Recruiting 24154
For The Year Ended June 30, 2015

	Budgeted Amounts			Variance Positive (Negative)
	Original Budget	Final Budget	Actual Amount	
REVENUES				
Federal Grant	\$ 5,295	8,714	5,935	(2,779)
Total Revenues	<u>5,295</u>	<u>8,714</u>	<u>5,935</u>	<u>(2,779)</u>
EXPENDITURES				
Current:				
Instruction	5,295	8,714	4,000	4,714
Total Expenditures	<u>5,295</u>	<u>8,714</u>	<u>4,000</u>	<u>4,714</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>1,935</u>	<u>1,935</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>1,935</u>	<u>1,935</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>1,935</u>	<u>1,935</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 1,935	
Adjustments to Revenues			(1,935)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
J. Paul Taylor Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Spaceport Grant – Dona Ana County 26204
For The Year Ended June 30, 2015

	Budgeted Amounts			Variance Positive (Negative)
	Original Budget	Final Budget	Actual Amount	
REVENUES				
Local & County Grant	\$ -	8,271	8,271	-
Total Revenues	-	8,271	8,271	-
EXPENDITURES				
Current:				
Instruction	-	8,271	8,271	-
Total Expenditures	-	8,271	8,271	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
Net Changes in Fund Balances	-	-	-	-
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	-	-
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
J. Paul Taylor Academy
Schedule of Budgetary Comparisons - Budgetary Basis
2012 SB-66 Student Library 27107
For The Year Ended June 30, 2015

	Budgeted Amounts			Variance Positive (Negative)
	Original Budget	Final Budget	Actual Amount	
REVENUES				
State Grant	\$ 3,220	3,220	-	(3,220)
Total Revenues	<u>3,220</u>	<u>3,220</u>	<u>-</u>	<u>(3,220)</u>
EXPENDITURES				
Current:				
Support Services:				
Instruction	3,220	3,220	3,220	-
Total Expenditures	<u>3,220</u>	<u>3,220</u>	<u>3,220</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(3,220)</u>	<u>(3,220)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(3,220)</u>	<u>(3,220)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(3,220)</u>	<u>(3,220)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (3,220)	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (3,220)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
J. Paul Taylor Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Public School Capital Outlay 31200
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	140,426	172,799	32,373
Total Revenues	<u>-</u>	<u>140,426</u>	<u>172,799</u>	<u>32,373</u>
EXPENDITURES				
Current:				
Capital Outlay	-	140,426	140,426	-
Total Expenditures	<u>-</u>	<u>140,426</u>	<u>140,426</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>32,373</u>	<u>32,373</u>
Net Changes in Fund Balance	<u>-</u>	<u>-</u>	<u>32,373</u>	<u>32,373</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>32,373</u>	<u>32,373</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 32,373	
Adjustments to Revenues			(32,373)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
J. Paul Taylor Academy
Schedule of Budgetary Comparisons - Budgetary Basis
SB-9 Capital Improvements 31700
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	10,462	-	(10,462)
Total Revenues	-	10,462	-	(10,462)
EXPENDITURES				
Current:				
Capital Outlay	-	10,462	10,462	-
Total Expenditures	-	10,462	10,462	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(10,462)	(10,462)
Net Changes in Fund Balances	-	-	(10,462)	(10,462)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	(10,462)	(10,462)
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (10,462)	
Adjustments to Revenues			10,462	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 J. Paul Taylor Academy
 Schedule of Collateral Pledged by Depository For Public Funds
 June 30, 2015

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2015</u>
N/A	N/A	N/A	N/A	\$ -
Total Cash per Schedule of Cash Accounts:				\$ 20,398
Less: FDIC Coverage:				<u>(20,398)</u>
Uninsured Public Funds:				-
Collateral Requirement:				-
Pledged Collateral Held by Pledging Financial Institution:				<u>-</u>
Balance Over Collateralized:				<u>\$ -</u>
Balance Uninsured and Uncollateralized at June 30, 2015:				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
J. Paul Taylor Academy
Schedule of Cash Accounts
June 30, 2015

Bank Account Type	Century Bank	Wells Fargo
Checking - Operational Account	\$ 20,398	\$ -
Business Checking - Public Funds		720
<i>Total on Deposit</i>	20,398	720
Reconciling Items	(3,347)	-
Reconciled Balance June 30, 2015	17,051	720
Less Agency Funds	(13)	-
<i>Total Cash</i>	\$ 17,038	\$ 720

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
J. Paul Taylor Academy
Cash Reconciliation
June 30, 2015

	Operational 11000	Instructional Materials 14000	Food Services 21000
	<u>11000</u>	<u>14000</u>	<u>21000</u>
Cash, June 30, 2014	\$ -	-	484
Add:			
2014-15 revenues	<u>1,336,135</u>	<u>13,518</u>	<u>64,986</u>
Total Cash Available	1,336,135	13,518	65,470
Less:			
2014-15 expenditures	(1,371,709)	(10,818)	(61,804)
Receivables/Payables	5,882	-	-
Outstanding Loans	<u>-</u>	<u>-</u>	<u>-</u>
Cash June 30, 2015	<u>(29,692)</u>	<u>2,700</u>	<u>3,666</u>
Fund Balance Reconciliations to GAAP Basis:			
Audit reclassifications to cash	<u>30,412</u>	<u>4,300</u>	<u>6,347</u>
Cash Per Books	<u>720</u>	<u>7,000</u>	<u>10,013</u>
Fund Balance Reconciliation to GAAP Basis:			
Modified Accrual Adjustments	<u>(8,576)</u>	<u>467</u>	<u>645</u>
Fund Balance (Deficit) , Modified Accrual Basis	<u>\$ (7,856)</u>	<u>7,467</u>	<u>10,658</u>

The accompanying notes are an integral part of these financial statements

Federal Projects Account 24000	Local Grants Account 26000	State Account 27000	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Total Government
25	-	-	-	-	509
<u>93,865</u>	<u>8,271</u>	<u>-</u>	<u>172,799</u>	<u>-</u>	<u>1,689,574</u>
93,890	8,271	-	172,799	-	1,690,083
(75,937)	(8,271)	(3,220)	(140,426)	(10,462)	(1,682,647)
-	-	-	-	-	5,882
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>17,953</u>	<u>-</u>	<u>(3,220)</u>	<u>32,373</u>	<u>(10,462)</u>	<u>13,318</u>
<u>(17,928)</u>	<u>-</u>	<u>3,220</u>	<u>(32,373)</u>	<u>10,462</u>	<u>4,440</u>
<u>25</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>17,758</u>
<u>(4,730)</u>	<u>-</u>	<u>(3,220)</u>	<u>-</u>	<u>-</u>	<u>(15,414)</u>
<u>(4,705)</u>	<u>-</u>	<u>(3,220)</u>	<u>-</u>	<u>-</u>	<u>2,344</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Academia Dolores Huerta
Statement of Net Position
June 30, 2015

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 269,666
Receivables	
Due from Other Governments	119,788
Total Current Assets	<u>389,454</u>

Noncurrent Assets:

Capital Assets	
Furniture, Fixtures, and Equipment	71,745
Less: Accumulated Depreciation	(65,702)
Total Noncurrent Assets	<u>6,043</u>

Total Assets	<u>395,497</u>
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Deferred Outflows - Pension Related	<u>134,155</u>
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LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accounts Payable	5,212
Accrued Liabilities	36,019
Compensated Absences	12,129
Total Current Liabilities	<u>53,360</u>

Noncurrent Liabilities:

Net Pension Liability	1,508,016
Total Noncurrent Liabilities	<u>1,508,016</u>

Total Liabilities	<u>1,561,376</u>
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Deferred Inflows - Pension Related	<u>159,571</u>
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NET POSITION

Investment in Capital Assets	6,043
Restricted	98,832
Unrestricted (Deficit)	(1,296,170)
Total Net Position	<u>\$ (1,191,295)</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Academia Dolores Huerta
Statement of Activities
For The Year Ended June 30, 2015

Functions/Programs	Program Revenues				Net (Expenses) Revenues and Changes in Net Position
	Expenses	Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 826,143	-	165,215	-	(660,928)
Support Services:					
Students	133,339	-	-	-	(133,339)
Instruction	27,026	-	-	-	(27,026)
General Administration	34,508	-	-	-	(34,508)
School Administration	180,486	-	-	-	(180,486)
Central Services	110,014	-	-	-	(110,014)
Operation & Maintenance of Plant	100,119	-	-	-	(100,119)
Other Support Services	699	-	-	-	(699)
Food Services	104,801	1,197	89,466	-	(14,138)
Facilities Materials, Supplies & Other Services	109,513	-	-	109,513	-
Total Governmental Activities	\$ 1,626,648	1,197	254,681	109,513	(1,261,257)
General Revenues:					
Property Taxes					\$ 52,773
State Equalization Guarantee					1,304,978
Total General Revenues					1,357,751
Change in Net Position					96,494
Net Position, Beginning of Year					240,224
Restatement					(1,528,013)
Net Position, End of Year					(1,287,789)
Net position, Ending					\$ (1,191,295)

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Academia Dolores Huerta
Balance Sheets - Governmental Funds
June 30, 2015

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101
ASSETS				
Cash and Cash Equivalents	\$ 177,848	26,758	-	-
Accounts Receivable				
Due from Government	-	-	9,773	39,717
Due from Other Funds	107,699	-	-	-
Total Assets	\$ 285,547	26,758	9,773	39,717
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 5,212	-	-	-
Accrued Expenditures	30,944	-	-	1,917
Due to Other Funds	-	-	7,958	37,800
Total Liabilities	36,156	-	7,958	39,717
Fund Balances				
Fund Balance:				
Restricted for:				
Instruction	-	26,758	-	-
Food Service Operations	-	-	1,815	-
Capital Improvements	-	-	-	-
Unassigned	249,391	-	-	-
Total Fund Balance	249,391	26,758	1,815	-
Total Liabilities and Fund Balances	\$ 285,547	26,758	9,773	39,717

IDEA-B Entitlement 24106	Teacher Principal Training 24154	Spaceport Grt Grant - Dona Ana County 26204	After School Enrichment Program 27168	W.K. Kellogg Foundation 27401	Medicaid HSD 28144	Public School Capital Outlay 31200
-	185	11,543	-	-	975	-
7,840	-	-	29,664	5,000	-	27,378
-	-	-	-	-	-	-
<u>7,840</u>	<u>185</u>	<u>11,543</u>	<u>29,664</u>	<u>5,000</u>	<u>975</u>	<u>27,378</u>
-	-	-	-	-	-	-
1,316	185	-	1,657	-	-	-
6,524	-	-	23,039	5,000	-	27,378
<u>7,840</u>	<u>185</u>	<u>-</u>	<u>24,696</u>	<u>5,000</u>	<u>-</u>	<u>27,378</u>
-	-	11,543	4,968	-	975	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>11,543</u>	<u>4,968</u>	<u>-</u>	<u>975</u>	<u>-</u>
<u>7,840</u>	<u>185</u>	<u>11,543</u>	<u>29,664</u>	<u>5,000</u>	<u>975</u>	<u>27,378</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Academia Dolores Huerta
Balance Sheets - Governmental Funds (Continued)
June 30, 2015

	HB-33 Capital Improvements 31600	Total
ASSETS		
Cash and Cash Equivalents	\$ 52,357	269,666
Accounts Receivable		
Due from Government	416	119,788
Due from Other Funds	-	107,699
	<u>52,773</u>	<u>497,153</u>
Total Assets	\$ 52,773	497,153
LIABILITIES AND FUND BALANCES		
Liabilities:		
Accounts Payable	\$ -	5,212
Accrued Expenditures	-	36,019
Due to Other Funds	-	107,699
	<u>-</u>	<u>148,930</u>
Total Liabilities	-	148,930
Fund Balances		
Fund Balance:		
Restricted for:		
Instruction	-	44,244
Food Service Operations	-	1,815
Capital Improvements	52,773	52,773
Unassigned	-	249,391
	<u>52,773</u>	<u>348,223</u>
Total Fund Balance	52,773	348,223
Total Liabilities and Fund Balances	\$ 52,773	497,153

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Academia Dolores Huerta
Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
June 30, 2015

Fund Balance - Total Governmental Funds **\$ 348,223**

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

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

Capital Assets	71,745	
Accumulated Depreciation	(65,702)	
	6,043	6,043

Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds.

134,155

Compensated Absences

(12,129)

Long-term liabilities are not due in the current period and, therefore, are not reported in the funds.

Net Pension Liability	(1,508,016)	
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Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds.

(159,571)

Net Position-Total Governmental Activities

\$ (1,191,295)

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Academia Dolores Huerta
Statement of Revenues, Expenditures, and Changes In Fund Balances
Governmental Funds
For The Year Ended June 30, 2015

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101
REVENUES				
Property Taxes	\$ -	-	-	-
Local & County Grant	300	-	-	-
State Grant	1,304,978	11,739	-	-
Federal Grant	-	-	89,466	80,300
Charges for Services	-	-	1,197	-
Total Revenues	1,305,278	11,739	90,663	80,300
EXPENDITURES				
Current:				
Instruction	698,842	7,050	-	80,300
Support Services:				
Students	130,277	-	-	-
Instruction	7,263	-	-	-
General Administration	34,508	-	-	-
School Administration	171,500	-	-	-
Central Services	109,486	-	-	-
Operation & Maintenance of Plant	104,697	-	-	-
Other Support Services Operations	699	-	-	-
Food Services Operations	14,105	-	90,663	-
Capital Outlay	-	-	-	-
Total Expenditures	1,271,377	7,050	90,663	80,300
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	33,901	4,689	-	-
Net Changes in Fund Balances	33,901	4,689	-	-
Fund Balances - Beginning of Year	215,490	22,069	1,815	-
Fund Balances - End of Year	\$ 249,391	26,758	1,815	-

IDEA-B Entitlement 24106	Teacher Principal Training 24154	Spaceport Grt Grant - Dona Ana County 26204	After School Enrichment Program 27168	W.K. Kellogg Foundation 27401	Medicaid HSD 28144	Public School Capital Outlay 31200
-	-	-	-	-	-	-
-	-	6,715	-	-	-	-
-	-	-	29,664	5,000	975	109,513
27,253	3,269	-	-	-	-	-
-	-	-	-	-	-	-
<u>27,253</u>	<u>3,269</u>	<u>6,715</u>	<u>29,664</u>	<u>5,000</u>	<u>975</u>	<u>109,513</u>
24,956	2,744	1,608	4,933	2,277	-	-
2,297	-	-	-	-	-	-
-	-	-	19,763	-	-	-
-	-	-	-	-	-	-
-	-	-	-	2,723	-	-
-	525	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	109,513
<u>27,253</u>	<u>3,269</u>	<u>1,608</u>	<u>24,696</u>	<u>5,000</u>	<u>-</u>	<u>109,513</u>
-	-	5,107	4,968	-	975	-
-	-	5,107	4,968	-	975	-
-	-	6,436	-	-	-	-
-	-	11,543	4,968	-	975	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Academia Dolores Huerta
Statement of Revenues, Expenditures, and Changes In Fund Balances - Continued
Governmental Funds
For The Year Ended June 30, 2015

	HB-33 Capital Improvements 31600	Total
REVENUES		
Property Taxes	\$ 52,773	52,773
Local & County Grant	-	7,015
State Grant	-	1,461,869
Federal Grant	-	200,288
Charges for Services	-	1,197
Total Revenues	52,773	1,723,142
EXPENDITURES		
Current:		
Instruction	-	822,710
Support Services:		
Students	-	132,574
Instruction	-	27,026
General Administration	-	34,508
School Administration	-	174,223
Central Services	-	110,011
Operation & Maintenance of Plant	-	104,697
Other Support Services Operations	-	699
Food Services Operations	-	104,768
Capital Outlay	-	109,513
Total Expenditures	-	1,620,729
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>52,773</u>	<u>102,413</u>
Net Changes in Fund Balances	<u>52,773</u>	<u>102,413</u>
Fund Balances - Beginning of Year	<u>-</u>	<u>245,810</u>
Fund Balances - End of Year	<u>\$ 52,773</u>	<u>348,223</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Academia Dolores Huerta
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2015

Net Change in Fund Balance-Total Governmental Funds **\$ 102,413**

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

Change in Compensated Absences (5,214)

Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the Statement of Net Position and allocated over their estimated useful lives as annual depreciation expenses in the Statement of Activities. This is the amount by which capital outlay exceeds depreciation for the period

Capital Outlays	7,400	
Depreciation Expense	(2,686)	
	4,714	4,714

The issuance of long-term debt (e.g., bonds, notes, leases) provide current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.

Changes in Net Pension Liability		(5,419)
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Change in Net Position-Total Governmental Activities **\$ 96,494**

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Academia Dolores Huerta
Statement of Fiduciary Assets and Liabilities- Agency Funds
June 30, 2015

	<u>Agency</u>
ASSETS	
Cash in Bank	\$ 5,923
Total Assets	<u>\$ 5,923</u>
 LIABILITIES	
Deposits Held for Others	\$ 5,923
Total Liabilities	<u>\$ 5,923</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Academia Dolores Huerta
 Schedule of Changes in Assets and Liabilities - Agency Funds
 For The Year Ended June 30, 2015

	<u>Balance</u> <u>July 1, 2014</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2015</u>
ASSETS				
Cash in Bank	\$ 4,123	11,132	9,332	5,923
Total Assets	<u>\$ 4,123</u>	<u>11,132</u>	<u>9,332</u>	<u>5,923</u>
 LIABILITIES				
Deposits Held for Others	\$ 4,123	11,132	9,332	5,923
Total Liabilities	<u>\$ 4,123</u>	<u>11,132</u>	<u>9,332</u>	<u>5,923</u>

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Capital Assets. Capital assets purchased or acquired are 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 La Academia Dolores Huerta's capitalization policy (i.e., the dollar value above which the asset acquisitions are added to the capital accounts) is \$5,000. The La Academia Dolores Huerta does not capitalize any interest with regard to its capital assets.

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

Furniture, Fixtures and Equipment	5 years
Buildings and Improvements	40 years

Capital assets for the La Academia Dolores Huerta are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB's Fiduciary Net Position have been determined on the economic resources measurement focus and accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Academia Dolores Huerta
Notes to the Financial Statements
June 30, 2015

NOTE 2. CAPITAL ASSETS

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

	Balance			Balance
	<u>June 30, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2015</u>
<i>Capital Assets being Depreciated:</i>				
Furniture, Fixtures and Equipment	\$ 64,345	7,400	-	71,745
<i>Total</i>	<u>64,345</u>	<u>7,400</u>	<u>-</u>	<u>71,745</u>
<i>Less: Accumulated Depreciation</i>				
Furniture, fixtures and equipment	(63,016)	(2,686)	-	(65,702)
<i>Total</i>	<u>(63,016)</u>	<u>(2,686)</u>	<u>-</u>	<u>(65,702)</u>
Capital Assets, Net	<u>\$ 1,329</u>	<u>4,714</u>	<u>-</u>	<u>6,043</u>

Depreciation expensed for the year ended June 30, 2015 was expensed to the following functions:

Facilities, Materials, Supplies & Other Services	\$ 2,686
Total	<u>\$ 2,686</u>

NOTE 3. COMMITMENTS AND LIABILITIES

The La Academia Dolores Huerta leased equipment and facilities under long-term cancelable operating leases. Rental expense for the year ended June 30, 2015 was \$112,572. The La Academia Dolores Huerta's minimum future payments on this lease are as follows:

Year Ending June 30:	
2016	\$ 114,661
2017	114,661
2018	170,189
2019	170,189
2020	170,189
2021	170,189
Total	<u>\$ 910,078</u>

NOTE 4. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to the La Academia Dolores Huerta and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions. The contribution requirements of defined benefit plan members and La Academia Dolores Huerta are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year ended June 30, 2014 employers contributed 13.15% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.10% of their gross annual salary. For fiscal year ended June 30, 2015 employers contributed 13.90%, and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 contributed an increased amount of 10.70% of their gross annual salary. Contributions to the pension plan from La Academia Dolores Huerta were \$108,073 for the year ended June 30, 2015.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2013. The total ERB pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2014, using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date June 30, 2014. At June 30, 2015, La Academia Dolores Huerta reported a liability of \$1,508,016 for its proportionate share of the net pension liability. La Academia Dolores Huerta's proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2014. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2014, La Academia Dolores Huerta's proportion was 0.02643% percent, which was an increase of 0.00056% from its proportion measured as of June 30, 2013.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Academia Dolores Huerta
Notes to the Financial Statements
June 30, 2015

NOTE 4. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

For the year ended June 30, 2015, La Academia Dolores Huerta recognized pension expense of \$113,492. At the June 30, 2015, La Academia Dolores Huerta reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	22,467
Changes in assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	137,104
Changes in proportion and differences between La Academia Dolores Huerta contributions and proportionate share of contributions	26,082	-
La Academia Dolores Huerta contributions subsequent to the measurement date	<u>108,073</u>	<u>-</u>
Total	<u>\$ 134,155</u>	<u>159,571</u>

\$108,073 reported as deferred outflows of resources related to pensions resulting from La Academia Dolores Huerta contributions subsequent to the measurement date June 30, 2014 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2016	\$ 33,014
2017	33,014
2018	33,165
2019	<u>34,296</u>
Total	<u>\$ 133,489</u>

NOTE 4. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Sensitivity of La Academia Dolores Huerta’s proportionate share of the net pension liability to changes in the discount rate. The following table shows the sensitivity of the net pension liability to changes in the discount rate as of the fiscal year end 2014. In particular, the table presents the (employer’s) net pension liability under the current single rate assumption, as if it were calculated using a discount rate one percentage point lower (6.75%) or one percentage point higher (8.75%) than the single discount rate.

	<u>1% Decrease (6.75%)</u>	<u>Current Discount Rate (7.75%)</u>	<u>1% Increase (8.75%)</u>
La Academia Dolores Huerta’s proportionate share of the net pension liability	<u>\$2,051,831</u>	<u>1,508,018</u>	<u>1,053,928</u>

Payables to the pension plan. For the year ending June 30, 2015, La Academia Dolores Huerta’s accrued liability due to ERB was \$22,146 for June payroll paid in July 2015.

NOTE 5. RESTATEMENT

As a result of implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, net position at June 30, 2014 was restated in the amount of \$(1,528,013).

During the fiscal year ended June 30, 2014, the School was reported under the Las Cruces Public School District No. 2; however, during the fiscal year ended June 30, 2015 the School was added as a component of the Public Education Department. As a result net position of \$240,224, as reported on the Las Cruces Public School District No. 2 financial statements for the fiscal year ended June 30, 2014, was reported as beginning net position within these financial statements.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Academia Dolores Huerta
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2015

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.03%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 1,508	-	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 729	-	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	206.86%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30, 2014

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Academia Dolores Huerta
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2015

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 96	-	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	96	-	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ -	-	-	-	-	-	-	-	-	-

Year	Total Amount Deferred	Amortization Years	Increase (Decrease) in Pension Expense over Recognition Periods											
			2015	2016	2017	2018	2019	2020	2021	2022	2023	2024		
2014	\$ 133	5	\$ 33	33	33	33	34	-	-	-	-	-	-	-
2015	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2016	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2017	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2018	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2019	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2020	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2021	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2022	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2023	-	5	-	-	-	-	-	-	-	-	-	-	-	-
	\$ 133		\$ 33	33	33	33	34	-	-	-	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Academia Dolores Huerta
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Local & County Grant	\$ -	-	300	300
State Grant	1,203,831	1,304,684	1,304,978	294
Total Revenues	<u>1,203,831</u>	<u>1,304,684</u>	<u>1,305,278</u>	<u>594</u>
EXPENDITURES				
Current:				
Instruction	753,187	812,142	695,373	116,769
Support Services:				
Students	109,914	148,672	130,277	18,395
Instruction	-	13,000	7,263	5,737
General Administration	21,310	53,571	36,151	17,420
School Administration	184,623	180,065	171,466	8,599
Central Services	92,709	191,670	109,452	82,218
Operation & Maintenance of Plant	202,326	130,247	108,186	22,061
Student Transportation	7,500	-	-	-
Other Support Services Operations	-	699	699	-
Food Services Operations	25,453	27,313	14,105	13,208
Total Expenditures	<u>1,397,022</u>	<u>1,557,379</u>	<u>1,272,972</u>	<u>284,407</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(193,191)</u>	<u>(252,695)</u>	<u>32,306</u>	<u>285,001</u>
Net Changes in Fund Balances	<u>(193,191)</u>	<u>(252,695)</u>	<u>32,306</u>	<u>285,001</u>
Cash or Fund Balances - Beginning of Year	<u>252,695</u>	<u>252,695</u>	<u>252,695</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ 59,504</u>	<u>-</u>	<u>285,001</u>	<u>285,001</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 32,306	
Adjustments to Expenditures			<u>1,595</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 33,901</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Academia Dolores Huerta
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 7,721	9,394	11,739	2,345
Total Revenues	<u>7,721</u>	<u>9,394</u>	<u>11,739</u>	<u>2,345</u>
EXPENDITURES				
Current:				
Instruction	27,945	31,963	7,050	24,913
Total Expenditures	<u>27,945</u>	<u>31,963</u>	<u>7,050</u>	<u>24,913</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(20,224)</u>	<u>(22,569)</u>	<u>4,689</u>	<u>27,258</u>
Net Changes in Fund Balances	<u>(20,224)</u>	<u>(22,569)</u>	<u>4,689</u>	<u>27,258</u>
Cash or Fund Balances - Beginning of Year	<u>26,758</u>	<u>26,758</u>	<u>26,758</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ 6,534</u>	<u>4,189</u>	<u>31,447</u>	<u>27,258</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 4,689	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 4,689</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Academia Dolores Huerta
 Schedule of Budgetary Comparisons - Budgetary Basis
 Food Services 21000
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 90,000	90,000	79,693	(10,307)
Charges for Services	3,000	3,000	1,197	(1,803)
Total Revenues	<u>93,000</u>	<u>93,000</u>	<u>80,890</u>	<u>(12,110)</u>
EXPENDITURES				
Current:				
Food Services Operations	93,000	93,000	90,663	2,337
Total Expenditures	<u>93,000</u>	<u>93,000</u>	<u>90,663</u>	<u>2,337</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(9,773)	(9,773)
Net Changes in Fund Balances	-	-	(9,773)	(9,773)
Cash or Fund Balances - Beginning of Year	1,815	1,815	1,815	-
Cash or Fund Balances - End of Year	<u>\$ 1,815</u>	<u>1,815</u>	<u>(7,958)</u>	<u>(9,773)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (9,773)	
Adjustments to Revenues			<u>9,773</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Academia Dolores Huerta
Schedule of Budgetary Comparisons - Budgetary Basis
Title I IASA 24101
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 79,699	87,767	69,233	(18,534)
Total Revenues	<u>79,699</u>	<u>87,767</u>	<u>69,233</u>	<u>(18,534)</u>
EXPENDITURES				
Current:				
Instruction	79,699	86,837	80,300	6,537
Support Services:				
School Administration	-	930	-	930
Total Expenditures	<u>79,699</u>	<u>87,767</u>	<u>80,300</u>	<u>7,467</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	-	-	(11,067)	(11,067)
Net Changes in Fund Balances	-	-	(11,067)	(11,067)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(11,067)</u>	<u>(11,067)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ (11,067)	
Adjustments to Revenues			<u>11,067</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Academia Dolores Huerta
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Entitlement 24106
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ -	29,465	20,135	(9,330)
Total Revenues	<u>-</u>	<u>29,465</u>	<u>20,135</u>	<u>(9,330)</u>
EXPENDITURES				
Current:				
Instruction	-	26,503	24,956	1,547
Support Services:				
Students	-	2,962	2,297	665
Total Expenditures	<u>-</u>	<u>29,465</u>	<u>27,253</u>	<u>2,212</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(7,118)</u>	<u>(7,118)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(7,118)</u>	<u>(7,118)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(7,118)</u>	<u>(7,118)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ (7,118)	
Adjustments to Revenues			<u>7,118</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Academia Dolores Huerta
 Schedule of Budgetary Comparisons - Budgetary Basis
 Teacher Principal Training 24154
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 10,591	13,244	3,269	(9,975)
Total Revenues	<u>10,591</u>	<u>13,244</u>	<u>3,269</u>	<u>(9,975)</u>
EXPENDITURES				
Current:				
Instruction	10,591	12,689	2,744	9,945
Central Services	-	555	525	30
Total expenditures	<u>10,591</u>	<u>13,244</u>	<u>3,269</u>	<u>9,975</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Academia Dolores Huerta
 Schedule of Budgetary Comparisons - Budgetary Basis
 Spaceport Grt Grant - Dona Ana County 26204
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Local & County Grant	\$ -	6,715	6,715	-
Total Revenues	<u>-</u>	<u>6,715</u>	<u>6,715</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	6,436	13,151	1,608	11,543
Total Expenditures	<u>6,436</u>	<u>13,151</u>	<u>1,608</u>	<u>11,543</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(6,436)</u>	<u>(6,436)</u>	<u>5,107</u>	<u>11,543</u>
Net Changes in Fund Balances	<u>(6,436)</u>	<u>(6,436)</u>	<u>5,107</u>	<u>11,543</u>
Cash or Fund Balances - Beginning of Year	<u>6,436</u>	<u>6,436</u>	<u>6,436</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>11,543</u>	<u>11,543</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 5,107	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 5,107</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Academia Dolores Huerta
Schedule of Budgetary Comparisons - Budgetary Basis
After School Enrichment Program 27168
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	50,000	-	(50,000)
Total Revenues	<u>-</u>	<u>50,000</u>	<u>-</u>	<u>(50,000)</u>
EXPENDITURES				
Current:				
Instruction	-	19,702	4,933	14,769
Support Services:				
Instruction	-	30,298	19,763	10,535
Total Expenditures	<u>-</u>	<u>50,000</u>	<u>24,696</u>	<u>25,304</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(24,696)</u>	<u>(24,696)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(24,696)</u>	<u>(24,696)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(24,696)</u>	<u>(24,696)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (24,696)	
Adjustments to Revenues			<u>29,664</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 4,968</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Academia Dolores Huerta
 Schedule of Budgetary Comparisons - Budgetary Basis
 W.K. Kellogg Foundation 27401
 For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	5,000	-	(5,000)
Total Revenues	<u>-</u>	<u>5,000</u>	<u>-</u>	<u>(5,000)</u>
EXPENDITURES				
Current:				
Instruction	-	2,277	2,277	-
Support Services:				
School Administration	-	2,723	2,723	-
Total Expenditures	<u>-</u>	<u>5,000</u>	<u>5,000</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(5,000)	(5,000)
Net Changes in Fund Balances	-	-	(5,000)	(5,000)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(5,000)</u>	<u>(5,000)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (5,000)	
Adjustments to Revenues			<u>5,000</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Academia Dolores Huerta
 Schedule of Budgetary Comparisons - Budgetary Basis
 Medicaid HSD 28144
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	937	975	38
Total Revenues	<u>-</u>	<u>937</u>	<u>975</u>	<u>38</u>
EXPENDITURES				
Current:				
Support Services:				
Students	-	937	-	937
Total Expenditures	<u>-</u>	<u>937</u>	<u>-</u>	<u>937</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>975</u>	<u>975</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>975</u>	<u>975</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>975</u>	<u>975</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 975	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 975</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Academia Dolores Huerta
 Schedule of Budgetary Comparisons - Budgetary Basis
 Public School Capital Outlay 31200
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	109,513	91,735	(17,778)
Total Revenues	<u>-</u>	<u>109,513</u>	<u>91,735</u>	<u>(17,778)</u>
EXPENDITURES				
Current:				
Capital Outlay	-	109,513	109,513	-
Total Expenditures	<u>-</u>	<u>109,513</u>	<u>109,513</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(17,778)</u>	<u>(17,778)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(17,778)</u>	<u>(17,778)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(17,778)</u>	<u>(17,778)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ (17,778)	
<i>Adjustments to Revenues</i>			<u>17,778</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Academia Dolores Huerta
 Schedule of Budgetary Comparisons - Budgetary Basis
 HB-33 Capital Improvements 31600
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Property Taxes	\$ -	50,000	52,357	2,357
Total Revenues	<u>-</u>	<u>50,000</u>	<u>52,357</u>	<u>2,357</u>
EXPENDITURES				
Current:				
Capital Outlay	-	50,000	-	50,000
Total Expenditures	<u>-</u>	<u>50,000</u>	<u>-</u>	<u>50,000</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>52,357</u>	<u>52,357</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>52,357</u>	<u>52,357</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>52,357</u>	<u>52,357</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 52,357	
Adjustments to Revenues			<u>416</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 52,773</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Academia Dolores Huerta
Schedule of Collateral Pledged by Depository for Public Funds
June 30, 2015

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2015</u>
US Bank	FHLMC FGLMC C78550	31288HQB9	5/1/2033	\$ 98,670
US Bank	FHLMC GOLD POOL G11311	31283KN46	10/1/2017	9,176
US Bank	FHLMC GOLD POOL G11502	31283KU30	12/1/2018	26,872
				<u>\$ 134,718</u>

Total Cash per Schedule of Cash Accounts:	\$ 314,699
Less: FDIC coverage:	<u>(250,000)</u>
Uninsured Public Funds:	64,699
Collateral Requirement:	32,350
Pledged Collateral Held by Pledging Financial Institution:	<u>134,718</u>
Balance Over Collateralized:	<u>\$ 102,368</u>
Balance Uninsured and Uncollateralized at June 30, 2015:	<u>\$ -</u>

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STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Academia Dolores Huerta
 Schedule of Cash Accounts
 June 30, 2015

<u>Bank Account Type</u>	<u>US Bank</u>
Checking - Operational Account	\$ 308,708
Checking - Activity Account	<u>5,991</u>
Total on Deposit	314,699
Reconciling Items	<u>(39,110)</u>
Reconciled Balance June 30, 2015	<u>275,589</u>
Less Agency Funds	<u>(5,923)</u>
Total Cash	<u><u>\$ 269,666</u></u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Academia Dolores Huerta
Cash Reconciliation
June 30, 2015

	Operational 11000	Instructional Materials 14000	Food Services 21000	Non-Instruct. Fund 23000	Federal Projects Account 24000
Cash, June 30, 2014	\$ 252,695	22,068	1,815	4,123	(29,372)
Add:					
2014-15 revenues	<u>1,305,278</u>	<u>11,739</u>	<u>80,890</u>	<u>11,132</u>	<u>92,637</u>
Total Cash Available	1,557,973	33,807	82,705	15,255	63,265
Less:					
2014-15 expenditures	(1,272,972)	(7,049)	(90,663)	(9,332)	(110,822)
Receivables/Payables	546	-	-	-	3,417
Outstanding Loans	<u>(105,894)</u>	<u>-</u>	<u>7,958</u>	<u>-</u>	<u>44,140</u>
Cash June 30, 2015	<u>179,653</u>	<u>26,758</u>	<u>-</u>	<u>5,923</u>	<u>-</u>
Fund Balance Reconciliations to GAAP Basis:					
Audit reclassifications to cash	<u>(1,805)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>185</u>
Cash Per Books	<u>177,848</u> *	<u>26,758</u>	<u>-</u>	<u>5,923</u>	<u>185</u>

* does not agree to general ledger

Fund Balance Reconciliation to GAAP Basis:					
Modified Accrual Adjustments	<u>71,543</u>	<u>-</u>	<u>1,815</u>	<u>(5,923)</u>	<u>(185)</u>
Fund Balance, Modified Accrual Basis	<u>\$ 249,391</u>	<u>26,758</u>	<u>1,815</u>	<u>-</u>	<u>-</u>

Local Grant Funds 26000	State Account 27000	State Direct Account 28000	Public School Capital Outlay 31200	Special Capital Outlay Local 31300	Capital Improv HB 33 31600	Total
6,436	-	-	(9,600)	3,751	-	251,916
6,715	-	975	91,735	-	52,357	1,653,458
13,151	-	975	82,135	3,751	52,357	1,905,374
(1,608)	(29,695)		(109,513)	(3,751)	-	(1,635,405)
-	3,277	-	-	-	-	7,240
-	26,418	-	27,378	-	-	-
11,543	-	975	-	-	52,357	277,209
-	-	-	-	-	-	(1,620)
* 11,543	-	* 975	-	-	52,357	275,589
Less: Activity Funds Per Schedule of Changes in Assets and Liabilities- Agency Fund:						(5,923)
						<u>\$ 269,666</u>
	4,968				416	72,634
<u>11,543</u>	<u>4,968</u>	<u>975</u>	<u>-</u>	<u>-</u>	<u>52,773</u>	<u>348,223</u>
Balance Sheets - Governmental Funds:						<u>\$ 348,223</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Jicarita Community School
 Statement of Net Position
 June 30, 2015

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 70,380
Receivables	
Due from Other Governments	46,318
Other	5,350
Prepaid Expenses	4,045
Total Current Assets	<u>126,093</u>

Noncurrent Assets:

Capital Assets	
Land	47,694
Land Improvements	413,626
Building and Improvements	194,712
Furniture, Fixtures, and Equipment	88,193
Less: Accumulated Depreciation	<u>(64,012)</u>
Total Noncurrent Assets	<u>680,213</u>
Total Assets	<u>806,306</u>

Deferred Outflows - Pension Related	<u>305,083</u>
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LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accounts Payable	5,707
Accrued Liabilities	26,063
Current Portion of Long-Term Debt	20,113
Total Current Liabilities	<u>51,883</u>

Noncurrent Liabilities:

Net Pension Liability	345,189
Long-Term Debt	395,050
Total Noncurrent Liabilities	<u>740,239</u>
Total Liabilities	<u>792,122</u>

Deferred Inflows - Pension Related	<u>36,544</u>
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NET POSITION

Net Investment in Capital Assets	265,050
Restricted	18,322
Unrestricted (Deficit)	<u>(649)</u>
Total Net Position	<u>\$ 282,723</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Jicarita Community School
Statement of Activities
For The Year Ended June 30, 2015

Functions/Programs	Program Revenues				Net (Expenses) Revenues and Changes in Net Position
	Expenses	Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 243,857	-	105,742	-	(138,115)
Support Services:					
Students	6,881	-	-	-	(6,881)
Instruction	1,002	-	-	-	(1,002)
General Administration	14,968	-	-	-	(14,968)
School Administration	99,355	-	-	-	(99,355)
Central Services	58,581	-	-	-	(58,581)
Operation & Maintenance of Plant	82,869	-	-	57,784	(25,085)
Facilities Materials, Supplies & Other Services	40,286	-	-	-	(40,286)
Interest on long-term debt	29,780	-	-	-	(29,780)
Total Governmental Activities	\$ 577,579	-	105,742	57,784	(414,053)
General Revenues:					
Property Taxes					\$ 12,813
State Equalization Guarantee					366,971
Miscellaneous					246
Total General Revenues					<u>380,030</u>
Change in Net Position					<u>(34,023)</u>
Net Position, Beginning					294,803
Restatement Recognized by GASB 68					<u>21,943</u>
Net Position, Beginning, as Restated					<u>316,746</u>
Net position, Ending					<u>\$ 282,723</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Jicarita Community School
Balance Sheets - Governmental Funds
June 30, 2015

	Operational 11000	Instructional Materials 14000	Title I IASA 24101	IDEA-B Entitlement 24106
ASSETS				
Cash and Cash Equivalents	\$ 54,491	2,674	-	-
Accounts Receivable				
Due from Government	-	-	27,085	-
Due from Other Funds	40,298	-	-	-
Other	-	-	-	-
Prepaid Expenditures	4,045	-	-	-
Total Assets	\$ 98,834	2,674	27,085	-
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 5,707	-	-	-
Accrued Expenditures	20,043	-	3,766	-
Due to Other Funds	-	-	23,319	-
Total Liabilities	25,750	-	27,085	-
Fund Balances				
Fund Balance:				
Nonspendable:				
Prepaid Expenditures	4,045	-	-	-
Restricted for:				
Instruction	-	2,674	-	-
Capital Improvements	-	-	-	-
Assigned to:				
Subsequent Years Expenditures and Other Programs	69,039	-	-	-
Total Fund Balance	73,084	2,674	-	-
Total Liabilities and Fund Balances	\$ 98,834	2,674	27,085	-

The accompanying notes are an integral part of these financial statements

Federal Charter Planning 24146	Teacher Principal Training 24154	Title XIX Medicaid 25153	Reads to Lead 27114	Bond Building 31100	Public School Capital Outlay 31200
115	-	113	-	-	-
-	-	-	12,574	-	6,659
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
115	-	113	12,574	-	6,659
-	-	-	-	-	-
-	-	-	2,254	-	-
-	-	-	10,320	-	6,659
-	-	-	12,574	-	6,659
-	-	-	-	-	-
115	-	113	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
115	-	113	-	-	-
115	-	113	12,574	-	6,659

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Jicarita Community School
Balance Sheets - Governmental Funds (Continued)
June 30, 2015

	SB-9 Capital Improvements 31700	La Jicarita Community School Foundation	Total
ASSETS			
Cash and Cash Equivalents	\$ 11,375	1,612	70,380
Accounts Receivable			
Due from Government	-	-	46,318
Due from Other Funds	-	-	40,298
Other	-	5,350	5,350
Prepaid Expenditures	-	-	4,045
Total Assets	\$ 11,375	6,962	166,391
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts Payable	\$ -	-	5,707
Accrued Expenditures	-	-	26,063
Due to Other Funds	-	-	40,298
Total Liabilities	-	-	72,068
Fund Balances			
Fund Balance:			
Nonspendable:			
Prepaid Expenditures	-	-	4,045
Restricted for:			
Instruction	-	-	2,902
Capital Improvements	11,375	-	11,375
Assigned to:			
Subsequent Years Expenditures and Other Programs	-	6,962	76,001
Total Fund Balance	11,375	6,962	94,323
Total Liabilities and Fund Balances	\$ 11,375	6,962	166,391

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Jicarita Community School
Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
June 30, 2015

Fund Balance - Total Governmental Funds **\$ 94,323**

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

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

Capital Assets	744,225	
Accumulated Depreciation	(64,012)	
	680,213	680,213

Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds. 305,083

Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds. (36,544)

The net pension liability is not due and payable in the current period and, therefore, is not reported in the funds. (345,189)

Long-term liabilities are not due in the current period and, therefore, are not reported in the funds.

Long-Term Debt		(415,163)
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Net Position-Total Governmental Activities		\$ 282,723
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The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Jicarita Community School
Statement of Revenues, Expenditures, and Changes In Fund Balances
Governmental Funds
For The Year Ended June 30, 2015

	Operational 11000	Instructional Materials 14000	Title I IASA 24101	IDEA-B Entitlement 24106
REVENUES				
Property Taxes	\$ -	-	-	-
Local & County Grant	5,685	-	-	-
State Grant	366,971	2,367	-	-
Federal Grant	-	-	27,085	290
Charges for Services	-	-	-	-
Miscellaneous Income	-	-	-	-
Total Revenues	<u>372,656</u>	<u>2,367</u>	<u>27,085</u>	<u>290</u>
EXPENDITURES				
Current:				
Instruction	125,455	2,366	27,085	-
Support Services:				
Students	4,826	-	-	290
Instruction	1,002	-	-	-
General Administration	14,956	-	-	-
School Administration	69,477	-	-	-
Central Services	56,154	-	-	-
Operation & Maintenance of Plant	49,182	-	-	-
Capital Outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total Expenditures	<u>321,052</u>	<u>2,366</u>	<u>27,085</u>	<u>290</u>
Net Changes in Fund Balances	<u>51,604</u>	<u>1</u>	<u>-</u>	<u>-</u>
Fund Balances - Beginning of Year	<u>21,480</u>	<u>2,673</u>	<u>-</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ 73,084</u>	<u>2,674</u>	<u>-</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements

Federal Charter Planning 24146	Teacher Principal Training 24154	Title XIX Medicaid 25153	Reads to Lead 27114	Bond Building 31100	Public School Capital Outlay 31200
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	22,000	25,461	26,638
-	-	113	-	-	-
-	-	-	-	-	-
80	-	-	-	-	-
<u>80</u>	<u>-</u>	<u>113</u>	<u>22,000</u>	<u>25,461</u>	<u>26,638</u>
-	-	-	20,783	-	-
-	-	-	1,217	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	25,461	26,638
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>22,000</u>	<u>25,461</u>	<u>26,638</u>
<u>80</u>	<u>-</u>	<u>113</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>35</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>115</u>	<u>-</u>	<u>113</u>	<u>-</u>	<u>-</u>	<u>-</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Jicarita Community School
Statement of Revenues, Expenditures, and Changes In Fund Balances - Continued
Governmental Funds
For The Year Ended June 30, 2015

	SB-9 Capital Improvements 31700	La Jicarita Community School Foundation	Total
REVENUES			
Property Taxes	\$ 12,813	-	12,813
Local & County Grant	-	-	5,685
State Grant	-	-	443,437
Federal Grant	-	-	27,488
Charges for Services	-	53,887	53,887
Miscellaneous Income	-	166	246
Total Revenues	<u>12,813</u>	<u>54,053</u>	<u>543,556</u>
EXPENDITURES			
Current:			
Instruction	-	-	175,689
Support Services:			
Students	-	-	6,333
Instruction	-	-	1,002
General Administration	12	-	14,968
School Administration	-	-	69,477
Central Services	-	40	56,194
Operation & Maintenance of Plant	-	-	49,182
Capital Outlay	1,426	-	53,525
Debt service			
Principal	-	18,757	18,757
Interest	-	29,780	29,780
Total Expenditures	<u>1,438</u>	<u>48,577</u>	<u>474,907</u>
Net Changes in Fund Balances	<u>11,375</u>	<u>5,476</u>	<u>68,649</u>
Fund Balances - Beginning of Year	<u>-</u>	<u>1,486</u>	<u>25,674</u>
Fund Balances - End of Year	<u>\$ 11,375</u>	<u>6,962</u>	<u>94,323</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Jicarita Community School
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances (Deficit) of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2015

Net Change in Fund Balances-Total Governmental Funds **\$ 68,649**

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

Capital outlays to purchase or build capital assets are reported in
 governmental funds as expenditures. However, for governmental
 activities those costs are shown in the Statement of Net Position and
 allocated over their estimated useful lives as annual depreciation
 expenses in the Statement of Activities. This is the amount by which
 capital outlay exceeds depreciation for the period

Capital Outlays	15,130	
Depreciation Expense	<u>(37,965)</u>	(22,835)

The issuance of long-term debt (e.g., bonds, notes, leases) provide
 current financial resources to governmental funds, while the repayment
 of the principal of long-term debt consumes the current financial
 resources of governmental funds. Neither transaction, however, has any
 effect on net position.

Payment of Notes Payable		18,757
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Changes in long-term liabilities

Change in Net Pension Liability		<u>(98,594)</u>
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Change in Net Position-Total Governmental Activities **\$ (34,023)**

The accompanying notes are an integral part of these financial statements

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Capital Assets. Capital assets purchased or acquired are 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. La Jicarita Community School's capitalization policy (i.e., the dollar value above which the asset acquisitions are added to the capital accounts) is \$5,000. La Jicarita Community School does not capitalize any interest with regard to its capital assets.

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

Land improvements	30 years
Building and building improvements	10 – 25 years
Furniture, fixtures and equipment	5 – 20 years

Capital assets for La Jicarita Community School are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB's Fiduciary Net Position have been determined on the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefits payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Jicarita Community School
Notes to the Financial Statements
June 30, 2015

NOTE 2. CAPITAL ASSETS

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

	Balance			Balance
	June 30, 2014	Additions	Deletions	June 30, 2015
<i>Capital Assets not Depreciated:</i>				
Land	\$ 47,694	-	-	47,694
<i>Total</i>	<u>47,694</u>	-	-	<u>47,694</u>
<i>Capital Assets being Depreciated:</i>				
Buildings and building improvements	194,712	-	-	194,712
Furniture, fixtures and equipment	88,193	-	-	88,193
Land improvements	398,496	15,130	-	413,626
<i>Total</i>	<u>681,401</u>	<u>15,130</u>	-	<u>696,531</u>
<i>Less: Accumulated Depreciation</i>				
Buildings and building improvements	(9,777)	(16,591)	-	(26,368)
Furniture, fixtures and equipment	(4,094)	(6,200)	-	(10,294)
Land improvements	(12,176)	(15,174)	-	(27,350)
<i>Total</i>	<u>(26,047)</u>	<u>(37,965)</u>	-	<u>(64,012)</u>
Net Capital Assets	<u>\$ 703,048</u>	<u>(22,835)</u>	-	<u>680,213</u>

Depreciation expensed for the year ended June 30, 2015 was expensed to the following functions:

Central Services	\$ 2,387
Operation & Maintenance of Plant	33,687
Facilities Materials, Supplies & Other Services	<u>1,891</u>
Total	<u>\$ 37,965</u>

NOTE 3. LONG-TERM DEBT

In May 2013, the La Jicarita Community Foundation entered into a note payable agreement with the Charter School Development Corporation to finance the purchase of land and to make various land improvements. The note has an annual interest rate of 7%. The total note payable as of June 30, 2015 is as follows:

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Jicarita Community School
Notes to the Financial Statements
June 30, 2015

NOTE 3. LONG-TERM DEBT (CONTINUED)

Note Payable to lender secured by land;
Interest at lender's rate 7% due in monthly
Installments of \$4,044; with a balloon payment
of the outstanding balance at July 31, 2018

	\$	415,163
Total notes payable	\$	415,163

The aggregate amounts of principal maturities and interest of notes payable are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 20,113	28,424	48,537
2017	21,566	26,970	48,536
2018	23,125	25,411	48,536
2019	350,359	2,044	352,403
Total	<u>\$ 415,163</u>	<u>82,849</u>	<u>498,012</u>

NOTE 4. COMMITMENTS AND CONTINGENCIES

The school leases facilities under a long-term cancelable operating lease. The facilities are leased from the Foundation. Rental expense for the year ended June 30, 2015 was \$53,887. The school's minimum future payments on these leases are as follows:

Year Ending June 30:	
2016	\$ 53,887
2017	53,887
2018	53,887
2019	53,887
2020	53,887
2021-2025	269,435
2026-2029	215,548
Total	<u>\$ 754,418</u>

NOTE 5. RELATED PARTY TRANSACTIONS

The School has a Foundation which subleases the property to the School. The Foundation is considered a component unit of the School and is presented as a blended component unit.

NOTE 6. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to La Jicarita Community School and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions. The contribution requirements of defined benefit plan members and La Jicarita Community School are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year ended June 30, 2014, employers contributed 13.15% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.10% of their gross annual salary. For fiscal year ended June 30, 2015 employers contributed 13.90% and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 contributed an increased amount of 10.70% of their gross annual salary. Contributions to the pension plan from La Jicarita Community School were \$23,212 for the year ended June 30, 2015.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2013. The total ERB pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2014, using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date June 30, 2014. At June 30, 2015, Albuquerque Sign Language Academy reported a liability of \$345,189 for its proportionate share of the net pension liability. La Jicarita Community School's proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2014. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2014, La Jicarita Community School's proportion was 0.00605%, which was an increase of 0.00605% from its proportion measured as of June 30, 2013.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Jicarita Community School
Notes to the Financial Statements
June 30, 2015

NOTE 6. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

For the year ended June 30, 2015, La Jicarita Community School recognized pension expense of \$121,806. At June 30, 2015, La Jicarita Community School reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	5,145
Net difference between projected and actual earnings on pension plan investments	-	31,399
Changes in proportion and differences between La Jicarita Community School’s contributions and proportionate share of contributions	281,871	-
La Jicarita Community School’s contributions subsequent to the measurement date	23,212	-
	<hr/>	<hr/>
Total	<u>\$ 305,083</u>	<u>36,544</u>

The amount of \$23,212 reported as deferred outflows of resources related to pensions resulting from La Jicarita Community School’s contributions subsequent to the measurement date of June 30, 2014 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2016	\$ (88,243)
2017	(88,243)
2018	(76,713)
2019	7,872
Total	<u>\$ (245,327)</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Jicarita Community School
Notes to the Financial Statements
June 30, 2015

NOTE 6. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

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

	<u>1% Decrease (6.75%)</u>	<u>Current Discount Rate (7.75%)</u>	<u>1% Increase (8.75%)</u>
La Jicarita Community School’s proportionate share of the net pension liability	<u>\$ 469,671</u>	<u>345,189</u>	<u>241,371</u>

Payables to the pension plan. At June 30, 2015, La Jicarita Community School owed \$7,880 to ERB for fiscal year 2015 contributions.

NOTE 7. RESTATEMENT

As a result of implementation of GASB No. 68, *Accounting and Financial Reporting for Pensions*, net position at June 30, 2014 was restated in the amount of \$21,943.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
LA JICARITA COMMUNITY SCHOOL
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2015

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 345	-	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 167	-	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	206.87%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30, 2014

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
LA JICARITA COMMUNITY SCHOOL
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2015

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 22	-	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	22	-	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ -	-	-	-	-	-	-	-	-	-

Increase (Decrease) in Pension Expense over Recognition Periods

Year	Total Amount Deferred	Amortization Years	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
2014	\$ (245)	5		\$ (88)	(88)	(77)	8	-	-	-	-	-
2015	-	5			-	-	-	-	-	-	-	-
2016	-	5				-	-	-	-	-	-	-
2017	-	5					-	-	-	-	-	-
2018	-	5						-	-	-	-	-
2019	-	5							-	-	-	-
2020	-	5								-	-	-
2021	-	5									-	-
2022	-	5										-
2023	-	5										-
	\$ (245)			\$ (88)	(88)	(77)	8	-	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Jicarita Community School
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Local & County Grant	\$ -	3,000	5,685	2,685
State Grant	392,096	366,971	366,971	-
Total Revenues	392,096	369,971	372,656	2,685
EXPENDITURES				
Current:				
Instruction	174,491	169,419	125,298	44,121
Support Services:				
Students	3,600	3,600	4,826	(1,226)
Instruction	-	1,506	1,002	504
General Administration	15,700	22,470	14,696	7,774
School Administration	63,231	78,120	69,477	8,643
Central Services	29,258	59,420	56,154	3,266
Operation & Maintenance of Plant	106,760	56,916	47,780	9,136
Total Expenditures	393,040	391,451	319,233	72,218
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<i>(944)</i>	<i>(21,480)</i>	<i>53,423</i>	<i>74,903</i>
Other Financing Sources (Uses):				
Operating transfers	-	-	-	-
Designated Cash	944	21,480	-	(21,480)
Total Other Financing Sources (Uses):	944	21,480	-	(21,480)
Net Changes in Fund Balances	-	-	53,423	53,423
Cash or Fund Balances - Beginning of Year	-	-	21,480	21,480
Cash or Fund Balances - End of Year	\$ -	-	74,903	74,903
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 53,423	
Adjustments to Revenues			-	
Adjustments to Expenditures			(1,819)	
NET CHANGE IN FUND BALANCE			\$ 51,604	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Jicarita Community School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Instructional Materials 14000
 For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	2,366	2,367	1
Total Revenues	-	2,366	2,367	1
EXPENDITURES				
Current:				
Instruction	-	2,366	2,366	-
Total Expenditures	-	2,366	2,366	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	1	1
Net Changes in Fund Balances	-	-	1	1
Cash or Fund Balances - Beginning of Year	-	-	2,673	2,673
Cash or Fund Balances - End of Year	\$ -	-	2,674	2,674
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 1	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 1	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Jicarita Community School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Title I IASA 24101
 For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 13,174	27,085	1,613	(25,472)
Total Revenues	<u>13,174</u>	<u>27,085</u>	<u>1,613</u>	<u>(25,472)</u>
EXPENDITURES				
Current:				
Instruction	13,174	27,085	27,085	-
Total Expenditures	<u>13,174</u>	<u>27,085</u>	<u>27,085</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(25,472)	(25,472)
Net Changes in Fund Balances	-	-	(25,472)	(25,472)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(25,472)</u>	<u>(25,472)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (25,472)	
Adjustments to Revenues			25,472	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Jicarita Community School
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Entitlement 24106
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ -	10,833	8,749	(2,084)
Total Revenues	<u>-</u>	<u>10,833</u>	<u>8,749</u>	<u>(2,084)</u>
EXPENDITURES				
Current:				
Instruction	-	1,626	-	1,626
Support Services:				
Students	-	9,207	290	8,917
Total Expenditures	<u>-</u>	<u>10,833</u>	<u>290</u>	<u>10,543</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>8,459</u>	<u>8,459</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>8,459</u>	<u>8,459</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>8,459</u>	<u>8,459</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 8,459	
Adjustments to Revenues			(8,459)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Jicarita Community School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Federal Charter Planning 24146
 For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ -	-	19,100	19,100
Miscellaneous	-	-	80	80
Total Revenues	-	-	19,180	19,180
EXPENDITURES				
Total Expenditures	-	-	-	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<i>-</i>	<i>-</i>	<i>19,180</i>	<i>19,180</i>
Net Changes in Fund Balances	-	-	19,180	19,180
Cash or Fund Balances - Beginning of Year	-	-	35	35
Cash or Fund Balances - End of Year	\$ -	-	19,215	19,215
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 19,180	
Adjustments to Revenues			(19,100)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 80	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Jicarita Community School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Teacher/Principal Training & Recruiting 24154
 For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 1,804	3,555	3,787	232
Total Revenues	<u>1,804</u>	<u>3,555</u>	<u>3,787</u>	<u>232</u>
EXPENDITURES				
Current:				
Instruction	1,804	1,804	-	1,804
Support Services:				
School Administration	-	1,751	-	1,751
Total Expenditures	<u>1,804</u>	<u>3,555</u>	<u>-</u>	<u>3,555</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>3,787</u>	<u>3,787</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>3,787</u>	<u>3,787</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>3,787</u>	<u>3,787</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 3,787	
Adjustments to Revenues			(3,787)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Jicarita Community School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Title XIX Medicaid 25153
 For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ -	-	113	113
Charges for Services	-	-	-	-
Total Revenues	-	-	113	113
EXPENDITURES				
Total Expenditures	-	-	-	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	113	113
Net Changes in Fund Balances	-	-	113	113
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	113	113
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 113	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 113	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Jicarita Community School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Reads to Lead 27114
 For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 22,000	22,000	14,111	(7,889)
Total Revenues	<u>22,000</u>	<u>22,000</u>	<u>14,111</u>	<u>(7,889)</u>
EXPENDITURES				
Current:				
Instruction	22,000	20,783	20,783	-
Support Services:				
Students	-	1,217	1,217	-
Total Expenditures	<u>22,000</u>	<u>22,000</u>	<u>22,000</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(7,889)</u>	<u>(7,889)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(7,889)</u>	<u>(7,889)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(7,889)</u>	<u>(7,889)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (7,889)	
Adjustments to Revenues			7,889	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Jicarita Community School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Bond Building 31100
 For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Local & County Grant	\$ 119,308	119,308	25,461	(93,847)
Total Revenues	119,308	119,308	25,461	(93,847)
EXPENDITURES				
Capital Outlay	119,308	119,308	25,461	93,847
Total Expenditures	119,308	119,308	25,461	93,847
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
Net Changes in Fund Balances	-	-	-	-
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	-	-
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Jicarita Community School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Public School Capital Outlay 31200
 For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 26,779	26,638	32,113	5,475
Total Revenues	<u>26,779</u>	<u>26,638</u>	<u>32,113</u>	<u>5,475</u>
EXPENDITURES				
Capital Outlay	26,779	26,638	26,638	-
Total Expenditures	<u>26,779</u>	<u>26,638</u>	<u>26,638</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	5,475	5,475
Net Changes in Fund Balances	-	-	5,475	5,475
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>5,475</u>	<u>5,475</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 5,475	
Adjustments to Revenues			(5,475)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Jicarita Community School
 Schedule of Budgetary Comparisons - Budgetary Basis
 SB-9 Capital Improvements 31700
 For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Property Taxes	\$ 8,952	8,952	12,813	3,861
State Grant	-	7,683	-	(7,683)
Total Revenues	8,952	16,635	12,813	(3,822)
EXPENDITURES				
General Administration	-	20	12	8
Capital Outlay	8,952	16,615	1,426	15,189
Total Expenditures	8,952	16,635	1,438	15,197
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	11,375	11,375
Net Changes in Fund Balances	-	-	11,375	11,375
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	11,375	11,375
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 11,375	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 11,375	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Jicarita Community School
 Schedule of Collateral Pledged by Depository for Public Funds
 June 30, 2015

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2015</u>
N/A	N/A	N/A	N/A	\$ -
				\$ -

Total Cash per Schedule of Cash Accounts:	\$	80,510
Less: FDIC coverage:		<u>(80,510)</u>
Uninsured Public Funds:		-
Collateral Requirement:		-
Pledged Collateral Held by Pledging Financial Institution:		<u>-</u>
Balance Over Collateralized:	\$	<u>-</u>
Balance Uninsured and Uncollateralized at June 30, 2015:	\$	<u>-</u>

The accompanying notes are an integral part of these financial statements

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STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Jicarita Community School
Schedule of Cash Accounts
June 30, 2015

<u>Bank Account Type</u>	<u>Centinel Bank</u>	<u>US Bank</u>	<u>Total</u>
Checking - Operational Account	\$ 78,885	-	78,885
Checking - Foundation	-	1,625	1,625
<i>Total on Deposit</i>	78,885	1,625	80,510
Reconciling Items	(10,117)	(13)	(10,130)
Reconciled Balance June 30, 2015	68,768	1,612	70,380
<i>Total Cash</i>	<u>\$ 68,768</u>	<u>1,612</u>	<u>70,380</u>

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Jicarita Community School
Cash Reconciliation
June 30, 2015

	Operational 11000	Instructional Materials 14000	Federal Projects Account 24000	Federal Direct Account 25000
Cash, June 30, 2014	\$ 21,323	2,673	(32,924)	-
Add:				
2014-15 revenues	372,655	2,367	33,329	113
Total Cash Available	393,978	5,040	405	113
Less:				
2014-15 expenditures	(319,233)	(2,366)	(27,374)	-
Receivables/Payables	20,043	-	3,765	-
Outstanding Loans	(40,297)	-	23,319	-
Cash June 30, 2015	54,491	2,674	115	113
			-	
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	-	-	-	-
Cash Per Books	54,491	2,674	115	113
Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	18,593	-	-	-
Fund Balance, Modified Accrual Basis	\$ 73,084	2,674	115	113

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

State Account 27000	Bond Building 31100	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Total
(4,684)	-	(12,134)	-	(25,746)
14,111	25,461	32,113	12,813	492,962
9,427	25,461	19,979	12,813	467,216
(22,000)	(25,461)	(26,638)	(1,438)	(424,510)
2,254	-	-	-	26,062
10,319	-	6,659	-	-
-	-	-	11,375	68,768
-	-	-	-	-
-	-	-	11,375	68,768
				Balance Sheet-Foundation: 1,612
				\$ 70,380
-	-	-	-	18,593
-	-	-	11,375	87,361
				Add: Foundation: 6,962
				Balance Sheets - Governmental Funds: \$ 94,323

STATE OF NEW MEXICO

PUBLIC EDUCATION DEPARTMENT

Financial Statements
June 30, 2015

VOLUME VII



AXIOM

*Certified Public Accountants
and Business Advisors LLC*

**STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
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STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Promesa Early Learning Center
 Statement of Net Position
 June 30, 2015

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 431,568
Receivables	
Due from Other Governments	306,128
Total Current Assets	<u>737,696</u>

Noncurrent Assets:

Capital Assets	
Land	1,402,136
Building and Improvements	9,013,755
Furniture, Fixtures, and Equipment	152,070
Less: Accumulated Depreciation	<u>(1,119,438)</u>
Total Noncurrent Assets	<u>9,448,523</u>
Total Assets	<u>10,186,219</u>

Deferred Outflows - Pension Related	<u>1,122,947</u>
--	------------------

LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accounts Payable	56,907
Accrued Liabilities	239,989
Current Portion of Long-Term Debt	<u>8,074</u>
Total Current Liabilities	<u>304,970</u>

Noncurrent Liabilities:

Long-Term Debt	7,594,525
Net Pension Liability	<u>3,507,874</u>
Total Noncurrent Liabilities	<u>11,102,399</u>
Total Liabilities	<u>11,407,369</u>

Deferred Inflows - Pension Related	<u>371,138</u>
---	----------------

NET POSITION

Net Investment in Capital Assets	1,845,924
Restricted	394,269
Unrestricted (Deficit)	<u>(2,709,534)</u>
Total Net Position	<u>\$ (469,341)</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Promesa Early Learning Center
Statement of Activities
For The Year Ended June 30, 2015

Functions/Programs	Program Revenues				Net (Expenses) Revenues and Changes in Net Position
	Expenses	Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 2,703,449	68,921	1,012,682	-	(1,621,846)
Support Services:					
Students	495,360	-	-	-	(495,360)
Instruction	37,493	-	-	-	(37,493)
General Administration	36,958	-	-	-	(36,958)
School Administration	193,881	-	-	-	(193,881)
Central Services	85,145	-	-	-	(85,145)
Operation & Maintenance of Plant	474,294	-	-	-	(474,294)
Community Services Operations	24,743	-	-	-	(24,743)
Student Transportation	74,251	-	78,680	-	4,429
Food Services	409,304	28,209	325,518	-	(55,577)
Facilities Materials, Supplies & Other Services	1,137,875	-	-	317,833	(820,042)
Total Governmental Activities	\$ 5,672,753	97,130	1,416,880	317,833	(3,840,910)
General Revenues:					
Property Taxes					\$ 332,558
State Equalization Guarantee					2,798,769
Miscellaneous					480,000
Total General Revenues					<u>3,611,327</u>
Change in Net Position					<u>(229,583)</u>
Net Position- Beginning of Year					2,215,106
Restatement					(2,454,864)
Net Position, as Restated					<u>(239,758)</u>
Net Position, Ending					<u>\$ (469,341)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Promesa Early Learning Center
Balance Sheets - Governmental Funds
June 30, 2015

	Operational 11000	Pupil Transportation 13000	Instructional Materials 14000	Food Services 21000
ASSETS				
Cash and Cash Equivalents	\$ 7,141	14,680	10,888	18,881
Accounts Receivable				
Due from Government	12,164	-	-	-
Due from Other Funds	330,076	-	-	-
Total Assets	\$ 349,381	14,680	10,888	18,881
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 33,950	-	-	20,978
Accrued Expenditures	191,964	-	-	5,044
Due to Other Funds	-	-	-	-
Total Liabilities	225,914	-	-	26,022
Fund Balances (Deficit)				
Fund Balance:				
Restricted for:				
Instruction	-	-	10,888	-
Student Transportation	-	14,680	-	-
Capital Improvements	-	-	-	-
Unassigned (Deficit)	123,467	-	-	(7,141)
Total Fund Balance (Deficit)	123,467	14,680	10,888	(7,141)
Total Liabilities and Fund Balances (Deficit)	\$ 349,381	14,680	10,888	18,881

Title I IASA 24101	IDEA-B Entitlement 24106	Fresh Fruit & Vegetables 24118	IDEA-B Risk Pool 24120	English Language Acquisition 24153	Teacher Principal Training 24154	Medicaid 0-2 Years 25152
4,672	6,183	-	-	-	-	-
-	-	14,112	75	20,130	33,647	-
-	-	-	-	-	-	-
<u>4,672</u>	<u>6,183</u>	<u>14,112</u>	<u>75</u>	<u>20,130</u>	<u>33,647</u>	<u>-</u>
-	-	-	-	-	575	-
4,669	6,183	-	-	-	4,311	-
-	-	14,112	75	20,130	29,336	4,278
<u>4,669</u>	<u>6,183</u>	<u>14,112</u>	<u>75</u>	<u>20,130</u>	<u>34,222</u>	<u>4,278</u>
3	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	(575)	(4,278)
<u>3</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(575)</u>	<u>(4,278)</u>
<u>4,672</u>	<u>6,183</u>	<u>14,112</u>	<u>75</u>	<u>20,130</u>	<u>33,647</u>	<u>-</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Promesa Early Learning Center
Balance Sheets - Governmental Funds (Continued)
June 30, 2015

	Elementary & Middle School Initiative 26177	2012 SB-66 Student Library 27107	New Mexico Reads 27114	Pre-K Initiative 27149
ASSETS				
Cash and Cash Equivalents	\$ -	-	7,251	-
Accounts Receivable				
Due from Government	17,492	3,307	-	-
Due from Other Funds	-	-	-	-
Total Assets	<u>\$ 17,492</u>	<u>3,307</u>	<u>7,251</u>	<u>-</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ -	-	-	-
Accrued Expenditures	217	-	7,251	19,971
Due to Other Funds	17,016	3,307	-	21,480
Total Liabilities	<u>17,233</u>	<u>3,307</u>	<u>7,251</u>	<u>41,451</u>
Fund Balances (Deficit)				
Fund Balance:				
Restricted for:				
Instruction	259	-	-	-
Student Transportation	-	-	-	-
Capital Improvements	-	-	-	-
Unassigned (Deficit)	-	-	-	(41,451)
Total Fund Balance (Deficit)	<u>259</u>	<u>-</u>	<u>-</u>	<u>(41,451)</u>
Total Liabilities and Fund Balances (Deficit)	<u>\$ 17,492</u>	<u>3,307</u>	<u>7,251</u>	<u>-</u>

K-3 Plus 27166	Afterschool Enrichment Program 27168	Teacher & School Leader Incentive Pay 27188	Public School Capital Outlay 31200	Special Capital Outlay-State 31400	HB-33 Capital Improvements 31600
-	-	-	-	-	214,793
-	51,535	104,987	-	41,462	4,911
-	-	-	-	-	-
-	51,535	104,987	-	41,462	219,704
-	-	-	-	754	650
-	95	284	-	-	-
-	74,177	104,703	-	41,462	-
-	74,272	104,987	-	42,216	650
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	219,054
-	(22,737)	-	-	(754)	-
-	(22,737)	-	-	(754)	219,054
-	51,535	104,987	-	41,462	219,704

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Promesa Early Learning Center
Balance Sheets - Governmental Funds (Continued)
June 30, 2015

	SB-9 Capital Improvements 31700	Foundation	Total
ASSETS			
Cash and Cash Equivalents	\$ 129,985	17,094	431,568
Accounts Receivable			
Due from Government	2,306	-	306,128
Due from Other Funds	-	-	330,076
Total Assets	\$ 132,291	17,094	1,067,772
LIABILITIES AND FUND BALANCES			
<i>Liabilities:</i>			
Accounts Payable	\$ -	-	56,907
Accrued Expenditures	-	-	239,989
Due to Other Funds	-	-	330,076
Total Liabilities	-	-	626,972
<i>Fund Balances (Deficit)</i>			
Fund Balance:			
Restricted for:			
Instruction	-	-	11,150
Student Transportation	-	-	14,680
Capital Improvements	132,291	17,094	368,439
Unassigned (Deficit)	-	-	46,531
Total Fund Balance (Deficit)	132,291	17,094	440,800
Total Liabilities and Fund Balances (Deficit)	\$ 132,291	17,094	1,067,772

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Promesa Early Learning Center
Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
June 30, 2015

Fund Balance - Total Governmental Funds **\$ 440,800**

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

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

Capital Assets	10,567,961	
Accumulated Depreciation	<u>(1,119,438)</u>	
		9,448,523

Defined benefit pension plan deferred outflows are not
 financial resources and, therefore, are not reported in the
 funds.

1,122,947

Long-term liabilities are not due in the current period and,
 therefore, are not reported in the funds.

Long-Term Debt	(7,602,599)	
Net Pension Liability	<u>(3,507,874)</u>	
		(11,110,473)

Defined benefit pension plan deferred inflows are not due and
 payable in the current period and, therefore, are not reported
 in the funds.

(371,138)

Net Position-Total Governmental Activities **\$ (469,341)**

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Promesa Early Learning Center
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit)
Governmental Funds
For The Year Ended June 30, 2015

	Operational 11000	Pupil Transportation 13000	Instructional Materials 14000	Food Services 21000
REVENUES				
Property Taxes	\$ -	-	-	-
Local & County Grant	50,856	-	-	-
State Grant	2,798,769	78,680	26,680	-
Federal Grant	-	-	-	325,518
Charges for Services	68,921	-	-	28,209
Miscellaneous Income	-	-	-	-
Total Revenues	<u>2,918,546</u>	<u>78,680</u>	<u>26,680</u>	<u>353,727</u>
EXPENDITURES				
Current:				
Instruction	1,691,636	-	20,560	-
Support Services:				
Students	323,322	-	-	-
Instruction	87	-	-	-
General Administration	36,958	-	-	-
School Administration	162,385	-	-	-
Central Services	85,145	-	-	-
Operation & Maintenance of Plant	456,305	-	-	-
Student Transportation	-	64,000	-	-
Food Services Operations	-	-	-	380,160
Community Services Operation	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>2,755,838</u>	<u>64,000</u>	<u>20,560</u>	<u>380,160</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>162,708</u>	<u>14,680</u>	<u>6,120</u>	<u>(26,433)</u>
Net Changes in Fund Balances	<u>162,708</u>	<u>14,680</u>	<u>6,120</u>	<u>(26,433)</u>
Fund Balances(Deficit) - Beginning of Year	<u>(39,241)</u>	<u>-</u>	<u>4,768</u>	<u>19,292</u>
Fund Balances (Deficit) - End of Year	<u>\$ 123,467</u>	<u>14,680</u>	<u>10,888</u>	<u>(7,141)</u>

The accompanying notes are an integral part of these financial statements

Title I IASA 24101	IDEA-B Entitlement 24106	Fresh Fruit & Vegetables 24118	IDEA-B Risk Pool 24120	English Language Acquisition 24153	Teacher Principal Training 24154	Medicaid 0-2 Years 25152
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
130,189	56,721	18,830	75	20,130	33,647	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>130,189</u>	<u>56,721</u>	<u>18,830</u>	<u>75</u>	<u>20,130</u>	<u>33,647</u>	<u>-</u>
92,238	54,817	-	75	20,130	33,015	-
37,951	1,904	-	-	-	-	7,844
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	1,147	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	18,830	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>130,189</u>	<u>56,721</u>	<u>18,830</u>	<u>75</u>	<u>20,130</u>	<u>34,162</u>	<u>7,844</u>
-	-	-	-	-	(515)	(7,844)
-	-	-	-	-	(515)	(7,844)
<u>3</u>	-	-	-	-	(60)	3,566
<u>3</u>	-	-	-	-	(575)	(4,278)

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Promesa Early Learning Center
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit) - Continued
Governmental Funds
For The Year Ended June 30, 2015

	Elementary & Middle School Initiative 26177	2012 SB-66 Student Library 27107	New Mexico Reads 27114	Pre-K Initiative 27149
REVENUES				
Property Taxes	\$ -	-	-	-
Local & County Grant	17,492	-	-	-
State Grant	-	3,307	50,000	164,440
Federal Grant	-	-	-	-
Charges for Services	-	-	-	-
Miscellaneous Income	-	-	-	-
Total Revenues	<u>17,492</u>	<u>3,307</u>	<u>50,000</u>	<u>164,440</u>
EXPENDITURES				
Current:				
Instruction	-	-	50,000	181,331
Support Services:				
Students	17,493	-	-	24,539
Instruction	-	3,307	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Food Services Operations	-	-	-	-
Community Services Operation	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>17,493</u>	<u>3,307</u>	<u>50,000</u>	<u>205,870</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	<u>(1)</u>	<u>-</u>	<u>-</u>	<u>(41,430)</u>
Net Changes in Fund Balances	<u>(1)</u>	<u>-</u>	<u>-</u>	<u>(41,430)</u>
Fund Balances(Deficit) - Beginning of Year	<u>260</u>	<u>-</u>	<u>-</u>	<u>(21)</u>
Fund Balances (Deficit) - End of Year	<u>\$ 259</u>	<u>-</u>	<u>-</u>	<u>(41,451)</u>

K-3 Plus 27166	Afterschool Enrichment Program 27168	Teacher & School Leader Incentive Pay 27188	Public School Capital Outlay 31200	Special Capital Outlay-State 31400	HB-33 Capital Improvements 31600
-	-	-	-	-	221,599
-	-	-	-	-	-
283,793	51,535	104,987	276,371	41,462	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>283,793</u>	<u>51,535</u>	<u>104,987</u>	<u>276,371</u>	<u>41,462</u>	<u>221,599</u>
209,654	21,483	94,987	-	-	-
32,617	20,160	-	-	-	-
3,370	6,860	-	-	-	-
-	-	-	-	-	-
20,349	-	10,000	-	-	-
-	-	-	-	-	-
6,277	-	-	-	-	-
9,225	1,026	-	-	-	-
2,301	-	-	-	-	-
-	24,743	-	-	-	-
-	-	-	276,371	42,166	178,770
<u>283,793</u>	<u>74,272</u>	<u>104,987</u>	<u>276,371</u>	<u>42,166</u>	<u>178,770</u>
-	(22,737)	-	-	(704)	42,829
-	(22,737)	-	-	(704)	42,829
-	-	-	-	(50)	176,225
<u>-</u>	<u>(22,737)</u>	<u>-</u>	<u>-</u>	<u>(754)</u>	<u>219,054</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Promesa Early Learning Center
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit) - Continued
Governmental Funds
For The Year Ended June 30, 2015

	SB-9 Capital Improvements 31700	Foundation	Total
REVENUES			
Property Taxes	\$ 110,959	-	332,558
Local & County Grant	-	-	68,348
State Grant	-	-	3,880,024
Federal Grant	-	-	585,110
Charges for Services	-	-	97,130
Miscellaneous Income	-	480,000	480,000
Total Revenues	<u>110,959</u>	<u>480,000</u>	<u>5,443,170</u>
EXPENDITURES			
Current:			
Instruction	-	-	2,469,926
Support Services:			
Students	-	-	465,830
Instruction	-	-	13,624
General Administration	-	-	36,958
School Administration	-	-	193,881
Central Services	-	-	85,145
Operation & Maintenance of Plant	-	-	462,582
Student Transportation	-	-	74,251
Food Services Operations	-	-	401,291
Community Services Operation	-	-	24,743
Capital Outlay	17,613	473,480	988,400
Total Expenditures	<u>17,613</u>	<u>473,480</u>	<u>5,216,631</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>93,346</u>	<u>6,520</u>	<u>226,539</u>
Net Changes in Fund Balances	<u>93,346</u>	<u>6,520</u>	<u>226,539</u>
Fund Balances(Deficit) - Beginning of Year	<u>38,945</u>	<u>10,574</u>	<u>214,261</u>
Fund Balances (Deficit) - End of Year	<u>\$ 132,291</u>	<u>17,094</u>	<u>440,800</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Promesa Early Learning Center
 Reconciliation of the Statement of Revenues, Expenditures, and Changes
 in Fund Balances (Deficit) of Governmental Funds to the Statement of Activities
 For the Year Ended June 30, 2015

Net Change in Fund Balance-Total Governmental Funds **\$ 226,539**

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

Capital outlays to purchase or build capital assets are reported in
 governmental funds as expenditures. However, for governmental activities
 those costs are shown in the Statement of Net Position and allocated over
 their estimated useful lives as annual depreciation expenses in the
 Statement of Activities. This is the amount by which capital outlay exceeds
 depreciation for the period

Capital Outlays	72,578	
Depreciation Expense	<u>(283,136)</u>	(210,558)

The issuance of long-term debt (e.g., bonds, notes, leases) provide current
 financial resources to governmental funds, while the repayment of the
 principal of long-term debt consumes the current financial resources of
 governmental funds. Neither transaction, however, has any effect on net
 position.

Changes in Net Pension Liability	(301,201)	
Payment of Notes Payable	<u>55,637</u>	(245,564)

Change in Net Position-Total Governmental Activities **\$ (229,583)**

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Promesa Early Learning Center
Statement of Fiduciary Assets and Liabilities- Agency Funds
June 30, 2015

	<u>Agency</u>
ASSETS	
Cash in Bank	\$ 7,501
Total Assets	<u>\$ 7,501</u>
 LIABILITIES	
Deposits Held for Others	\$ 7,501
Total Liabilities	<u>\$ 7,501</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Promesa Early Learning Center
 Schedule of Changes in Assets and Liabilities - Agency Funds
 For The Year Ended June 30, 2015

	<u>Balance</u> <u>July 1, 2014</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2015</u>
ASSETS				
Cash in Bank	\$ -	30,707	(23,206)	7,501
Total Assets	<u>\$ -</u>	<u>30,707</u>	<u>(23,206)</u>	<u>7,501</u>
LIABILITIES				
Deposits Held for Others	\$ -	30,707	(23,206)	7,501
Total Liabilities	<u>\$ -</u>	<u>30,707</u>	<u>(23,206)</u>	<u>7,501</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Promesa Early Learning Center
Notes to the Financial Statements
June 30, 2015

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Capital Assets. Capital assets purchased or acquired are 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 La Promesa Early Learning Center's capitalization policy (i.e., the dollar value above which the asset acquisitions are added to the capital accounts) is \$5,000. The La Promesa Early Learning Center does not capitalize any interest with regard to its capital assets.

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

Furniture, Fixtures and Equipment	5 years
Buildings and Improvements	40 years

Capital assets for the La Promesa Early Learning Center are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB's Fiduciary Net Position have been determined on the economic resources measurement focus and accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 2. CAPITAL ASSETS

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Promesa Early Learning Center
Notes to the Financial Statements
June 30, 2015

NOTE 2. CAPITAL ASSETS (CONTINUED)

	Balance			Balance
	<u>June 30, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2015</u>
<i>Capital Assets not being</i>				
<i>Depreciated:</i>				
Land	\$ 1,402,136	-	-	1,402,136
<i>Total</i>	<u>1,402,136</u>	-	-	<u>1,402,136</u>
<i>Capital Assets being Depreciated:</i>				
Furniture, Fixtures and Equipment	152,070	-	-	152,070
Building and Improvements	8,941,177	72,578	-	9,013,755
<i>Total</i>	<u>9,093,247</u>	<u>72,578</u>	-	<u>9,165,825</u>
<i>Less: Accumulated Depreciation</i>				
Furniture, fixtures and equipment	(30,724)	(25,748)	-	(56,472)
Building and improvements	(805,578)	(257,388)	-	(1,062,966)
<i>Total</i>	<u>(836,302)</u>	<u>(283,136)</u>	-	<u>(1,119,438)</u>
Capital Assets, Net	<u>\$ 9,659,081</u>	<u>(210,588)</u>	-	<u>9,448,523</u>

Depreciation expensed for the year ended June 30, 2015 was expensed to the following functions:

Instruction	\$ 2,287
Facilities, Materials, Supplies & Other Services	280,849
Total	<u>\$ 283,136</u>

NOTE 3. COMMITMENTS AND LIABILITIES

The La Promesa Early Learning Center leased equipment and facilities under long-term cancelable operating leases. Rental expenses for the year ended June 30, 2015 was \$504,176. The La Promesa Early Learning Center's minimum future payments on this lease are as follows:

Year Ending June 30:	
2016	\$ 540,000
2017	540,000
2018	540,000
2019	540,000
2020	540,000
Total	<u>\$ 2,700,000</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Promesa Early Learning Center
 Notes to the Financial Statements
 June 30, 2015

NOTE 3. COMMITMENTS AND LIABILITIES (CONTINUED)

In May 2013, The Early Learning Solutions Foundation Inc. entered into a note agreement to purchase land and buildings for the school.

Note Payable to lender secured by land and building. Interest at lender's rate 4.334% per annum, compounded monthly for the first year and 7% per annum compounded monthly, thereafter. Due in monthly installments of \$38,710 for the first twelve months and \$51,486 per month through February 28, 2015 and \$45,000 thereafter. The note matures on April 26, 2019, with a balloon payment due at that date.

	\$ 7,602,599
Less: current maturities	(8,074)
	<u>\$ 7,594,525</u>

The aggregate amounts of principal maturities of note payable are as follows:

2016	\$ 8,074
2017	8,657
2018	9,283
2019	<u>7,576,585</u>
Total	<u>\$ 7,602,599</u>

NOTE 4. DEFICIT FUND BALANCE

The following funds had a deficit fund balance at June 30, 2015:

Food Services – 21000	\$ 7,141
Teacher Principal Training – 24154	575
Medicaid 0-2 Years – 25152	4,278
Pre-K Initiative – 27149	41,451
Afterschool Enrichment – 27168	22,737
Special Capital Outlay – 31400	754

The La Promesa Early Learning Center is addressing the negative fund balances and is planning on taking the appropriate actions to eliminate the negative balance.

NOTE 5. RELATED PARTY TRANSACTIONS

The La Promesa Early Learning Center created a Foundation to purchase a school facility. The Foundation is considered a component unit of the La Promesa Early Learning Center and is presented as a blended component unit. In addition, the business manager services are performed by an individual who performs services for multiple state charter schools.

NOTE 6. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to the La Promesa Early Learning Center and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions. The contribution requirements of defined benefit plan members and La Promesa Early Learning Center are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year ended June 30, 2014 employers contributed 13.15% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.10% of their gross annual salary. For fiscal year ended June 30, 2015 employers contributed 13.90%, and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 contributed an increased amount of 10.70% of their gross annual salary. Contributions to the pension plan from La Promesa Early Learning Center were \$246,110 for the year ended June 30, 2015.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2013. The total ERB pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2014, using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date June 30, 2014. At June 30, 2015, La Promesa Early Learning Center reported a liability of \$3,507,874 for its proportionate share of the net pension liability. La Promesa Early Learning Center's proportion of the net

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Promesa Early Learning Center
Notes to the Financial Statements
June 30, 2015

NOTE 6. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2014. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2014, La Promesa Early Learning Center's proportion was 0.06148% percent, which was an increase of 0.01882% from its proportion measured as of June 30, 2013.

For the year ended June 30, 2015, La Promesa Early Learning Center recognized pension expense of \$547,311. At the June 30, 2015, La Promesa Early Learning Center reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	52,255
Changes in assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	318,883
Changes in proportion and differences between La Promesa Early Learning Center contributions and proportionate share of contributions	876,837	-
La Promesa Early Learning Center contributions subsequent to the measurement date	<u>246,110</u>	<u>-</u>
Total	<u>\$ 1,122,947</u>	<u>371,138</u>

\$246,110 reported as deferred outflows of resources related to pensions resulting from La Promesa Early Learning Center contributions subsequent to the measurement date June 30, 2014 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Promesa Early Learning Center
Notes to the Financial Statements
June 30, 2015

NOTE 6. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Year ended June 30:

2016	\$ (206,592)
2017	(206,592)
2018	(172,235)
2019	<u>79,720</u>
Total	<u>\$ (505,699)</u>

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

	<u>1% Decrease (6.75%)</u>	<u>Current Discount Rate (7.75%)</u>	<u>1% Increase (8.75%)</u>
La Promesa Early Learning Center's proportionate share of the net pension liability	<u>\$ 4,772,870</u>	<u>3,507,874</u>	<u>2,451,270</u>

Payables to the pension plan. As of June 30, 2015 La Promesa Early Learning Center had a payable of \$70,832 to ERB which was paid in full on July 15, 2015.

NOTE 7. RESTATEMENT

As a result of implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, net position at June 30, 2014 was restated in the amount of \$(2,454,864).

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
 La Promesa Early Learning Center
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2015

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
 (Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.06%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 3,508	-	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 1,695	-	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	207.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30, 2014

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Promesa Early Learning Center
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2015

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 223	-	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	223	-	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ -	-	-	-	-	-	-	-	-	-

Year	Total Amount Deferred	Amortization Years	Increase (Decrease) in Pension Expense over Recognition Periods											
			2015	2016	2017	2018	2019	2020	2021	2022	2023	2024		
2014	\$ (506)	5	\$ (207)	(207)	(207)	(172)	80	-	-	-	-	-	-	-
2015	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2016	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2017	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2018	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2019	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2020	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2021	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2022	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2023	-	5	-	-	-	-	-	-	-	-	-	-	-	-
	\$ (506)		\$ (207)	(207)	(207)	(172)	80	-	-	-	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Promesa Early Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Local & County Grant	\$ -	-	41,534	41,534
State Grant	3,048,024	2,798,769	2,798,769	-
Charges for Services	110,000	80,000	66,229	(13,771)
Total Revenues	3,158,024	2,878,769	2,906,532	27,763
EXPENDITURES				
Current:				
Instruction	1,914,770	1,784,869	1,687,409	97,460
Support Services:				
Students	345,300	345,300	348,769	(3,469)
Instruction	-	-	87	(87)
General Administration	27,000	27,000	22,082	4,918
School Administration	202,509	202,509	162,385	40,124
Central Services	94,785	94,785	81,922	12,863
Operation & Maintenance of Plant	573,660	424,306	452,075	(27,769)
Total Expenditures	3,158,024	2,878,769	2,754,729	124,040
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	-	-	151,803	151,803
Net Changes in Fund Balances	-	-	151,803	151,803
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	151,803	151,803
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>				
Adjustments to Revenues			\$ 151,803	
Adjustments to Expenditures			12,014	
			(1,109)	
NET CHANGE IN FUND BALANCE			\$ 162,708	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Promesa Early Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
Pupil Transportation 13000
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 70,120	78,680	78,680	-
Total Revenues	<u>70,120</u>	<u>78,680</u>	<u>78,680</u>	<u>-</u>
EXPENDITURES				
Current:				
Student Transportation	70,120	78,680	64,000	14,680
Total Expenditures	<u>70,120</u>	<u>78,680</u>	<u>64,000</u>	<u>14,680</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>14,680</u>	<u>14,680</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>14,680</u>	<u>14,680</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>14,680</u>	<u>14,680</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 14,680	
Adjustments to Revenues			-	
Adjustments to Expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 14,680</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Promesa Early Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 19,174	26,680	32,718	6,038
Total Revenues	<u>19,174</u>	<u>26,680</u>	<u>32,718</u>	<u>6,038</u>
EXPENDITURES				
Current:				
Instruction	19,174	26,680	20,560	6,120
Total Expenditures	<u>19,174</u>	<u>26,680</u>	<u>20,560</u>	<u>6,120</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>12,158</u>	<u>12,158</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>12,158</u>	<u>12,158</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>12,158</u>	<u>12,158</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 12,158	
Adjustments to Revenues			<u>(6,038)</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 6,120</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Promesa Early Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
Food Services 21000
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 232,250	352,250	325,518	(26,732)
Charges for Services	-	-	28,209	28,209
Total Revenues	<u>232,250</u>	<u>352,250</u>	<u>353,727</u>	<u>1,477</u>
EXPENDITURES				
Current:				
Food Services Operations	232,250	371,542	359,182	12,360
Total Expenditures	<u>232,250</u>	<u>371,542</u>	<u>359,182</u>	<u>12,360</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>(19,292)</u>	<u>(5,455)</u>	<u>13,837</u>
Net Changes in Fund Balances	<u>-</u>	<u>(19,292)</u>	<u>(5,455)</u>	<u>13,837</u>
Cash or Fund Balances - Beginning of Year	<u>23,300</u>	<u>23,300</u>	<u>23,300</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ 23,300</u>	<u>4,008</u>	<u>17,845</u>	<u>13,837</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (5,455)	
Adjustments to Expenditures			<u>(20,978)</u>	
NET CHANGE IN FUND BALANCE			<u>\$ (26,433)</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Promesa Early Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
Title I IASA 24101
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 130,189	130,189	144,018	13,829
Total Revenues	<u>130,189</u>	<u>130,189</u>	<u>144,018</u>	<u>13,829</u>
EXPENDITURES				
Current:				
Instruction	130,189	92,239	92,239	-
Support Services:				
Students	-	37,950	37,950	-
Total Expenditures	<u>130,189</u>	<u>130,189</u>	<u>130,189</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	13,829	13,829
Net Changes in Fund Balances	-	-	13,829	13,829
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>13,829</u>	<u>13,829</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 13,829	
Adjustments to Revenues			(13,829)	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Promesa Early Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Entitlement 24106
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ -	56,722	68,353	11,631
Total Revenues	<u>-</u>	<u>56,722</u>	<u>68,353</u>	<u>11,631</u>
EXPENDITURES				
Current:				
Instruction	-	54,819	54,819	-
Support Services:				
Students	-	1,903	1,903	-
Total Expenditures	<u>-</u>	<u>56,722</u>	<u>56,722</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>11,631</u>	<u>11,631</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>11,631</u>	<u>11,631</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>11,631</u>	<u>11,631</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 11,631	
Adjustments to Revenues			(11,631)	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Promesa Early Learning Center
 Schedule of Budgetary Comparisons - Budgetary Basis
 Fresh Fruit & Vegetables 24118
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ -	19,145	4,718	(14,427)
Total Revenues	<u>-</u>	<u>19,145</u>	<u>4,718</u>	<u>(14,427)</u>
EXPENDITURES				
Current:				
Food Services Operations	-	19,145	18,830	315
Total Expenditures	<u>-</u>	<u>19,145</u>	<u>18,830</u>	<u>315</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(14,112)</u>	<u>(14,112)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(14,112)</u>	<u>(14,112)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(14,112)</u>	<u>(14,112)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (14,112)	
Adjustments to Revenues			<u>14,112</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Promesa Early Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Risk Pool 24120
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ -	75	639	564
Total Revenues	<u>-</u>	<u>75</u>	<u>639</u>	<u>564</u>
EXPENDITURES				
Current:				
Instruction	-	75	75	-
Total Expenditures	<u>-</u>	<u>75</u>	<u>75</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>564</u>	<u>564</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>564</u>	<u>564</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>564</u>	<u>564</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 564	
Adjustments to Revenues			<u>(564)</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Promesa Early Learning Center
 Schedule of Budgetary Comparisons - Budgetary Basis
 English Language Acquisition 24153
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 18,224	20,180	17,193	(2,987)
Total Revenues	<u>18,224</u>	<u>20,180</u>	<u>17,193</u>	<u>(2,987)</u>
EXPENDITURES				
Current:				
Instruction	18,224	20,180	20,130	50
Total expenditures	<u>18,224</u>	<u>20,180</u>	<u>20,130</u>	<u>50</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(2,937)	(2,937)
Net changes in Fund Balances	-	-	(2,937)	(2,937)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(2,937)</u>	<u>(2,937)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (2,937)	
Adjustments to Revenues			<u>2,937</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Promesa Early Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
Teacher Principal Training 24154
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 21,774	36,076	14,607	(21,469)
Total Revenues	<u>21,774</u>	<u>36,076</u>	<u>14,607</u>	<u>(21,469)</u>
EXPENDITURES				
Current:				
Instruction	21,774	33,076	33,076	-
Support Services:				
School Administration	-	3,000	572	2,428
Total expenditures	<u>21,774</u>	<u>36,076</u>	<u>33,648</u>	<u>2,428</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(19,041)</u>	<u>(19,041)</u>
Net changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(19,041)</u>	<u>(19,041)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(19,041)</u>	<u>(19,041)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (19,041)	
Adjustments to Revenues			19,040	
Adjustments to Expenditures			(514)	
NET CHANGE IN FUND BALANCE			<u>\$ (515)</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Promesa Early Learning Center
 Schedule of Budgetary Comparisons - Budgetary Basis
 Medicaid 0-2 Years 25152
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ -	4,278	-	(4,278)
Total Revenues	<u>-</u>	<u>4,278</u>	<u>-</u>	<u>(4,278)</u>
EXPENDITURES				
Current:				
Support Services:				
Students	-	7,844	7,844	-
Total Expenditures	<u>-</u>	<u>7,844</u>	<u>7,844</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>(3,566)</u>	<u>(7,844)</u>	<u>(4,278)</u>
Net Changes in Fund Balances	<u>-</u>	<u>(3,566)</u>	<u>(7,844)</u>	<u>(4,278)</u>
Cash or Fund Balances - Beginning of Year	<u>3,566</u>	<u>3,566</u>	<u>3,566</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ 3,566</u>	<u>-</u>	<u>(4,278)</u>	<u>(4,278)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (7,844)	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (7,844)</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Promesa Early Learning Center
 Schedule of Budgetary Comparisons - Budgetary Basis
 Elementary & Middle School Initiative 26177
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Local & County Grant	\$ -	17,492	9,843	(7,649)
Total Revenues	<u>-</u>	<u>17,492</u>	<u>9,843</u>	<u>(7,649)</u>
EXPENDITURES				
Current:				
Support Services:				
Students	9,583	17,493	17,493	-
Total Expenditures	<u>9,583</u>	<u>17,493</u>	<u>17,493</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(9,583)</u>	<u>(1)</u>	<u>(7,650)</u>	<u>(7,649)</u>
Net Changes in Fund Balances	<u>(9,583)</u>	<u>(1)</u>	<u>(7,650)</u>	<u>(7,649)</u>
Cash or Fund Balances - Beginning of Year	<u>260</u>	<u>260</u>	<u>260</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ (9,323)</u>	<u>259</u>	<u>(7,390)</u>	<u>(7,649)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (7,650)	
Adjustments to Revenues			<u>7,649</u>	
NET CHANGE IN FUND BALANCE			<u>\$ (1)</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Promesa Early Learning Center
 Schedule of Budgetary Comparisons - Budgetary Basis
 2012 SB-66 Student Library 27107
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 3,307	3,307	-	(3,307)
Total Revenues	<u>3,307</u>	<u>3,307</u>	<u>-</u>	<u>(3,307)</u>
EXPENDITURES				
Current:				
Support Services:				
Instruction	3,307	3,307	3,307	-
Total Expenditures	<u>3,307</u>	<u>3,307</u>	<u>3,307</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	-	-	(3,307)	(3,307)
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(3,307)</u>	<u>(3,307)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(3,307)</u>	<u>(3,307)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ (3,307)	
Adjustments to Revenues			<u>3,307</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Promesa Early Learning Center
 Schedule of Budgetary Comparisons - Budgetary Basis
 New Mexico Reads 27114
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Local & County Grant	\$ -	-	17,774	17,774
State Grant	-	50,000	50,000	-
Total Revenues	<u>-</u>	<u>50,000</u>	<u>67,774</u>	<u>17,774</u>
EXPENDITURES				
Current:				
Instruction	-	50,000	50,000	-
Total Expenditures	<u>-</u>	<u>50,000</u>	<u>50,000</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>17,774</u>	<u>17,774</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>17,774</u>	<u>17,774</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>17,774</u>	<u>17,774</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 17,774	
Adjustments to Revenues			<u>(17,774)</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Promesa Early Learning Center
 Schedule of Budgetary Comparisons - Budgetary Basis
 Pre-K Initiative 27149
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Local & County Grant	\$ -	-	170,804	170,804
State Grant	-	210,000	164,440	(45,560)
Total Revenues	<u>-</u>	<u>210,000</u>	<u>335,244</u>	<u>125,244</u>
EXPENDITURES				
Current:				
Instruction	-	185,461	181,331	4,130
Support Services:				
Students	-	24,539	24,539	-
Total Expenditures	<u>-</u>	<u>210,000</u>	<u>205,870</u>	<u>4,130</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>129,374</u>	<u>129,374</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>129,374</u>	<u>129,374</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>129,374</u>	<u>129,374</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 129,374	
Adjustments to Revenues			<u>(170,804)</u>	
NET CHANGE IN FUND BALANCE			<u>\$ (41,430)</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Promesa Early Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
K-3 Plus 27166
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	283,793	283,793	-
Total Revenues	<u>-</u>	<u>283,793</u>	<u>283,793</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	-	209,651	209,651	-
Support Services:				
Students	-	26,319	32,616	(6,297)
Instruction	-	7,111	3,370	3,741
School Administration	-	23,726	20,349	3,377
Operation & Maintenance of Plant	-	3,102	6,277	(3,175)
Student Transportation	-	11,579	9,225	2,354
Food Services Operations	-	2,305	2,305	-
Total Expenditures	<u>-</u>	<u>283,793</u>	<u>283,793</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Promesa Early Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
Afterschool Enrichment Program 27168
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	75,000	-	(75,000)
Total Revenues	<u>-</u>	<u>75,000</u>	<u>-</u>	<u>(75,000)</u>
EXPENDITURES				
Current:				
Instruction	-	21,483	21,483	-
Support Services:				
Students	-	-	20,160	(20,160)
Instruction	-	26,799	6,860	19,939
Student Transportation	-	1,975	1,026	949
Community Services Operation	-	24,743	24,743	-
Total Expenditures	<u>-</u>	<u>75,000</u>	<u>74,272</u>	<u>728</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(74,272)</u>	<u>(74,272)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(74,272)</u>	<u>(74,272)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(74,272)</u>	<u>(74,272)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (74,272)	
Adjustments to Revenues			51,535	
NET CHANGE IN FUND BALANCE			<u>\$ (22,737)</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Promesa Early Learning Center
 Schedule of Budgetary Comparisons - Budgetary Basis
 Teacher & School Leader Incentive Pay 27188
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	105,600	-	(105,600)
Total Revenues	<u>-</u>	<u>105,600</u>	<u>-</u>	<u>(105,600)</u>
EXPENDITURES				
Current:				
Instruction	-	95,600	94,987	613
Support Services:				
School Administration	-	10,000	10,000	-
Total Expenditures	<u>-</u>	<u>105,600</u>	<u>104,987</u>	<u>613</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(104,987)</u>	<u>(104,987)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(104,987)</u>	<u>(104,987)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(104,987)</u>	<u>(104,987)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (104,987)	
Adjustments to Revenues			<u>104,987</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Promesa Early Learning Center
 Schedule of Budgetary Comparisons - Budgetary Basis
 Public School Capital Outlay 31200
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Local & County Grant	\$ -	-	54,109	54,109
State Grant	-	276,371	276,371	-
Total Revenues	<u>-</u>	<u>276,371</u>	<u>330,480</u>	<u>54,109</u>
EXPENDITURES				
Current:				
Capital Outlay	-	276,371	276,371	-
Total Expenditures	<u>-</u>	<u>276,371</u>	<u>276,371</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>54,109</u>	<u>54,109</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>54,109</u>	<u>54,109</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>54,109</u>	<u>54,109</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 54,109	
Adjustments to Revenues			<u>(54,109)</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Promesa Early Learning Center
 Schedule of Budgetary Comparisons - Budgetary Basis
 Special Capital Outlay-State 31400
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Local & County Grant	\$ -	-	5,791	5,791
State Grant	328,821	328,821	-	(328,821)
Total Revenues	<u>328,821</u>	<u>328,821</u>	<u>5,791</u>	<u>(323,030)</u>
EXPENDITURES				
Current:				
Capital Outlay	328,821	328,821	41,462	287,359
Total Expenditures	<u>328,821</u>	<u>328,821</u>	<u>41,462</u>	<u>287,359</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(35,671)	(35,671)
Net Changes in Fund Balances	-	-	(35,671)	(35,671)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(35,671)</u>	<u>(35,671)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (35,671)	
Adjustments to Revenues			35,671	
Adjustments to Expenditures			(704)	
NET CHANGE IN FUND BALANCE			<u>\$ (704)</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Promesa Early Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
HB-33 Capital Improvements 31600
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Property Taxes	\$ 224,073	224,073	220,019	(4,054)
Total Revenues	<u>224,073</u>	<u>224,073</u>	<u>220,019</u>	<u>(4,054)</u>
EXPENDITURES				
Current:				
Support Services:				
General Administration	2,241	2,241	-	2,241
Capital Outlay	370,512	394,726	178,120	216,606
Total Expenditures	<u>372,753</u>	<u>396,967</u>	<u>178,120</u>	<u>218,847</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(148,680)</u>	<u>(172,894)</u>	<u>41,899</u>	<u>214,793</u>
Net Changes in Fund Balances	<u>(148,680)</u>	<u>(172,894)</u>	<u>41,899</u>	<u>214,793</u>
Cash or Fund Balances - Beginning of Year	<u>176,225</u>	<u>176,225</u>	<u>176,225</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ 27,545</u>	<u>3,331</u>	<u>218,124</u>	<u>\$ 214,793</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 41,899	
Adjustments to Revenues			1,580	
Adjustments to Expenditures			<u>(650)</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 42,829</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Promesa Early Learning Center
 Schedule of Budgetary Comparisons - Budgetary Basis
 SB-9 Capital Improvements 31700
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Property Taxes	\$ 112,154	112,154	110,633	(1,521)
State Grant	12,709	12,709	-	(12,709)
Total Revenues	<u>124,863</u>	<u>124,863</u>	<u>110,633</u>	<u>(14,230)</u>
EXPENDITURES				
Current:				
Capital Outlay	124,863	161,828	17,613	144,215
Total Expenditures	<u>124,863</u>	<u>161,828</u>	<u>17,613</u>	<u>144,215</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	(36,965)	93,020	129,985
Net Changes in Fund Balances	-	(36,965)	93,020	129,985
Cash or Fund Balances - Beginning of Year	36,965	36,965	36,965	-
Cash or Fund Balances - End of Year	<u>\$ 36,965</u>	<u>-</u>	<u>129,985</u>	<u>129,985</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 93,020	
Adjustments to Revenues			326	
NET CHANGE IN FUND BALANCE			<u>\$ 93,346</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Promesa Early Learning Center
 Schedule of Collateral Pledged by Depository for Public Funds
 June 30, 2015

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2015</u>
Wells Fargo	FN AT5899	3138WTRV0	6/1/2043	\$ 110,898
Wells Fargo	FN AU0924	3138XOA24	7/1/2043	51,709
				<u>\$ 162,607</u>

Total Cash per Schedule of Cash Accounts:	\$ 497,705
Less: FDIC coverage:	<u>(250,000)</u>
Uninsured Public Funds:	247,705
Collateral Requirement:	123,853
Pledged Collateral Held by Pledging Financial Institution:	<u>162,607</u>
Balance Over Collateralized:	<u>\$ 38,754</u>
Balance Uninsured and Uncollateralized at June 30, 2015:	<u>\$ 85,098</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Promesa Early Learning Center
 Schedule of Cash Accounts
 June 30, 2015

<u>Bank Account Type</u>	<u>Wells Fargo</u>
Checking - Operational Account Wells Fargo	\$ 480,611
Checking - Foundation	17,094
<i>Total on Deposit</i>	497,705
Reconciling Items	(58,636)
Reconciled Balance June 30, 2015	439,069
Less Agency Funds	(7,501)
<i>Total Cash</i>	\$ 431,568

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Promesa Early Learning Center
Cash Reconciliation
June 30, 2015

	Operational 11000	Transportation 13000	Instructional Materials 14000	Food Services 21000
Cash, June 30, 2014	\$ (104,992)	-	-	23,300
Add:				
2014-15 revenues	<u>2,906,531</u>	<u>78,680</u>	<u>32,718</u>	<u>353,726</u>
Total Cash Available	2,801,539	78,680	32,718	377,026
Less:				
2014-15 expenditures	(2,754,730)	(64,000)	(20,560)	(359,181)
Receivables/Payables	290,407	-	(1,270)	1,036
Outstanding Loans	<u>(311,969)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash June 30, 2015	<u>25,247</u>	<u>14,680</u>	<u>10,888</u>	<u>18,881</u>
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	<u>(18,106)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash Per Books	<u>7,141</u>	<u>14,680</u>	<u>10,888</u>	<u>18,881</u>
Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	<u>116,326</u>	<u>-</u>	<u>-</u>	<u>(26,022)</u>
Fund Balance (Deficit), Modified Accrual Basis	<u>\$ 123,467</u>	<u>14,680</u>	<u>10,888</u>	<u>(7,141)</u>

Non-Instruct. Fund 23000	Federal Projects Account 24000	Federal Direct 25000	Local Grants 26000	State Account 27000	Public School Capital Outlay 31200
-	-	3,566	-	-	-
<u>30,707</u>	<u>249,528</u>	<u>-</u>	<u>9,843</u>	<u>693,237</u>	<u>330,480</u>
30,707	249,528	3,566	9,843	693,237	330,480
(20,751)	(259,593)	(7,844)	(17,492)	(722,229)	(276,371)
(2,455)	(42,733)	-	(9,366)	(167,424)	(54,109)
-	52,798	4,278	17,015	196,416	-
<u>7,501</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	10,855	-	-	7,251	-
<u>7,501</u>	<u>10,855</u>	<u>-</u>	<u>-</u>	<u>7,251</u>	<u>-</u>
(7,501)	(11,427)	(4,278)	259	(71,439)	-
<u>-</u>	<u>(572)</u>	<u>(4,278)</u>	<u>259</u>	<u>(64,188)</u>	<u>-</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Promesa Early Learning Center
Cash Reconciliation (Continued)
June 30, 2015

	Special Capital Outlay <u>31400</u>	HB-33 Capital Improvements <u>31600</u>	SB-9 Capital Improvements <u>31700</u>	<u>Total</u>
Cash, June 30, 2014	\$ -	167,008	36,965	125,847
Add:				
2014-15 revenues	<u>5,791</u>	<u>220,019</u>	<u>110,633</u>	<u>5,021,893</u>
Total Cash Available	5,791	387,027	147,598	5,147,740
Less:				
2014-15 expenditures	(41,462)	(178,120)	(17,613)	(4,739,946)
Receivables/Payables	(5,791)	5,886	-	14,181
Outstanding Loans	<u>41,462</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash June 30, 2015	<u>-</u>	<u>214,793</u>	<u>129,985</u>	<u>421,975</u>
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash Per Books	<u>-</u>	<u>214,793</u>	<u>129,985</u>	<u>421,975</u>
				(7,501)
				<u>17,094</u>
				<u>\$ 431,568</u>
Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	<u>(754)</u>	<u>4,261</u>	<u>2,306</u>	<u>1,731</u>
Fund Balance (Deficit), Modified Accrual Basis	<u>\$ (754)</u>	<u>219,054</u>	<u>132,291</u>	<u>423,706</u>
			Add: Foundation:	<u>17,094</u>
			Balance Sheets - Governmental Funds:	<u>\$ 440,800</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Resolana Leadership Academy
 Statement of Net Position
 June 30, 2015

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 35,445
Receivables	
Due from Other Governments	40,422
Total Current Assets	<u>75,867</u>

Total Assets	<u>75,867</u>
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Deferred Outflows - Pension Related	<u>139,822</u>
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LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accounts Payable	17,947
Accrued Liabilities	47,393
Total Current Liabilities	<u>65,340</u>

Noncurrent Liabilities:

Net Pension Liability	829,035
Total Noncurrent Liabilities	<u>829,035</u>
Total Liabilities	<u>894,375</u>

Deferred Inflows - Pension Related	<u>87,718</u>
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NET POSITION

Restricted	1,095
Unrestricted (Deficit)	<u>(767,499)</u>
Total Net Position	<u>\$ (766,404)</u>

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STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Resolana Leadership Academy
Statement of Activities
For The Year Ended June 30, 2015

Functions/Programs	Program Revenues				Net (Expenses) Revenues and Changes in Net Position
	Expenses	Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 426,639	49	82,080	-	(344,510)
Support Services:					
Students	41,212	-	-	-	(41,212)
Instruction	10,351	-	-	-	(10,351)
General Administration	15,078	-	-	-	(15,078)
School Administration	220,900	-	-	-	(220,900)
Central Services	67,421	-	-	-	(67,421)
Operation & Maintenance of Plant	140,372	-	-	-	(140,372)
Food Services	72,742	45	50,740	-	(21,957)
Facilities Materials, Supplies & Other Services	58,616	-	-	58,616	-
Total Governmental Activities	\$ 1,053,331	94	132,820	58,616	(861,801)
General Revenues:					
State Equalization Guarantee					\$ 912,891
Total General Revenues					912,891
Change in Net Position					51,090
Net Position-Beginning of Year					(61,702)
Restatement					(755,792)
Net Position, as Restated					(817,494)
Net position, Ending					\$ (766,404)

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Resolana Leadership Academy
Balance Sheets - Governmental Funds
June 30, 2015

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101
ASSETS				
Cash and Cash Equivalents	\$ 28,900	1,095	5,450	-
Accounts Receivable				
Due from Government	-	-	-	-
Due from Other Funds	38,974	-	-	-
Total Assets	\$ 67,874	1,095	5,450	-
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 8,516	-	9,431	-
Accrued Expenditures	45,945	-	-	-
Due to Other Funds	-	-	-	-
Total Liabilities	54,461	-	9,431	-
Fund Balances (Deficit)				
Fund Balance:				
Restricted for:				
Instruction	-	1,095	-	-
Unassigned (Deficit)	13,413	-	(3,981)	-
Total Fund Balance (Deficit)	13,413	1,095	(3,981)	-
Total Liabilities and Fund Balances	\$ 67,874	1,095	5,450	-

IDEA-B Entitlement 24106	IDEA-B Risk Pool 24120	Teacher Principal Training 24154	Title I Federal Stimulus 24201	2012 SB-66 Student Library 27107	Teacher & School Leader Incentive Pay 27188
-	-	-	-	-	-
-	16	1,385	-	-	18,750
-	-	-	-	-	-
-	16	1,385	-	-	18,750
-	-	-	-	-	-
-	-	-	-	-	1,161
-	16	1,385	-	-	17,589
-	16	1,385	-	-	18,750
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	16	1,385	-	-	18,750

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Resolana Leadership Academy
Balance Sheets - Governmental Funds (Continued)
June 30, 2015

	Teacher & School Leader Incentive Pay Group 27190	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Total
ASSETS				
Cash and Cash Equivalents	\$ -	-	-	35,445
Accounts Receivable				
Due from Government	4,500	13,680	2,091	40,422
Due from Other Funds	-	-	-	38,974
Total Assets	\$ 4,500	13,680	2,091	114,841
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ -	-	-	17,947
Accrued Expenditures	287	-	-	47,393
Due to Other Funds	4,213	13,680	2,091	38,974
Total Liabilities	4,500	13,680	2,091	104,314
Fund Balances (Deficit)				
Fund Balance:				
Restricted for:				
Instruction	-	-	-	1,095
Unassigned (Deficit)	-	-	-	9,432
Total Fund Balance (Deficit)	-	-	-	10,527
Total Liabilities and Fund Balances (Deficit)	\$ 4,500	13,680	2,091	114,841

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Resolana Leadership Academy
Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
June 30, 2015

Fund Balance - Total Governmental Funds	\$ 10,527
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Amounts reported for governmental activities in the Statement of Net Position are different because:

Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds.	139,822
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Long-term liabilities are not due in the current period and, therefore, are not reported in the funds.	
Net Pension Liability	(829,035)

Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds.	<u>(87,718)</u>
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Net Position-Total Governmental Activities	<u><u>\$ (766,404)</u></u>
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STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Resolana Leadership Academy
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit)
Governmental Funds
For The Year Ended June 30, 2015

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101
REVENUES				
State Grant	\$ 912,891	6,403	-	-
Federal Grant	-	-	50,740	28,375
Charges for Services	-	-	45	-
Total Revenues	<u>912,891</u>	<u>6,403</u>	<u>50,785</u>	<u>28,375</u>
EXPENDITURES				
Current:				
Instruction	338,703	10,414	-	28,375
Support Services:				
Students	41,212	-	-	-
Instruction	7,270	-	-	-
General Administration	5,994	-	-	-
School Administration	214,954	-	-	-
Central Services	67,421	-	-	-
Operation & Maintenance of Plant	139,234	-	-	-
Food Services Operations	24,844	-	47,898	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>839,632</u>	<u>10,414</u>	<u>47,898</u>	<u>28,375</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>73,259</u>	<u>(4,011)</u>	<u>2,887</u>	<u>-</u>
Net Changes in Fund Balances	<u>73,259</u>	<u>(4,011)</u>	<u>2,887</u>	<u>-</u>
Fund Balances(Deficit) - Beginning of Year	<u>(59,846)</u>	<u>5,106</u>	<u>(6,868)</u>	<u>-</u>
Fund Balances (Deficit) - End of Year	<u>\$ 13,413</u>	<u>1,095</u>	<u>(3,981)</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements

IDEA-B Entitlement 24106	IDEA-B Risk Pool 24120	Teacher Principal Training 24154	Title I Federal Stimulus 24201	2012 SB-66 Student Library 27107	Teacher & School Leader Incentive Pay 27188
-	-	-	-	3,081	18,750
18,438	16	2,517	-	-	-
-	-	-	49	-	-
<u>18,438</u>	<u>16</u>	<u>2,517</u>	<u>49</u>	<u>3,081</u>	<u>18,750</u>
18,438	16	1,123	-	-	14,950
-	-	-	-	-	-
-	-	-	-	3,081	-
-	-	-	-	-	-
-	-	1,349	-	-	3,800
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>18,438</u>	<u>16</u>	<u>2,472</u>	<u>-</u>	<u>3,081</u>	<u>18,750</u>
-	-	45	49	-	-
-	-	45	49	-	-
-	-	(45)	(49)	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Resolana Leadership Academy
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit) - Continued
Governmental Funds
For The Year Ended June 30, 2015

	Teacher & School Leader Incentive Pay Group 27190	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Total
REVENUES				
State Grant	\$ 4,500	54,756	3,860	1,004,241
Federal Grant	-	-	-	100,086
Charges for Services	-	-	-	94
Total Revenues	<u>4,500</u>	<u>54,756</u>	<u>3,860</u>	<u>1,104,421</u>
EXPENDITURES				
Current:				
Instruction	3,703	-	-	415,722
Support Services:				
Students	-	-	-	41,212
Instruction	-	-	-	10,351
General Administration	-	-	-	5,994
School Administration	797	-	-	220,900
Central Services	-	-	-	67,421
Operation & Maintenance of Plant	-	-	-	139,234
Food Services Operations	-	-	-	72,742
Capital Outlay	-	54,756	3,860	58,616
Total Expenditures	<u>4,500</u>	<u>54,756</u>	<u>3,860</u>	<u>1,032,192</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>72,229</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>72,229</u>
Fund Balances(Deficit) - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>(61,702)</u>
Fund Balances (Deficit) - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>10,527</u>

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Resolana Leadership Academy
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances (Deficit) of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2015**

Net Change in Fund Balances-Total Governmental Funds **\$ 72,229**

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

The issuance of long-term debt (e.g., bonds, notes, leases) provide current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.

Changes in Net Pension Liability (21,139)

Change in Net Position-Total Governmental Activities **\$ 51,090**

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Resolana Leadership Academy
 Statement of Fiduciary Assets and Liabilities- Agency Funds
 June 30, 2015

	<u>Agency</u>
ASSETS	
Cash in Bank	\$ 1,416
Total Assets	<u>\$ 1,416</u>
 LIABILITIES	
Deposits Held for Others	\$ 1,416
Total Liabilities	<u>\$ 1,416</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Resolana Leadership Academy
 Schedule of Changes in Assets and Liabilities - Agency Funds
 For The Year Ended June 30, 2015

	<u>Balance</u> <u>July 1, 2014</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2015</u>
ASSETS				
Cash in Bank	\$ 616	1,402	602	1,416
Total Assets	<u>\$ 616</u>	<u>1,402</u>	<u>602</u>	<u>1,416</u>
 LIABILITIES				
Deposits Held for Others	\$ 616	1,402	602	1,416
Total Liabilities	<u>\$ 616</u>	<u>1,402</u>	<u>602</u>	<u>1,416</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Resolana Leadership Academy
 Notes to the Financial Statements
 June 30, 2015

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB’s Fiduciary Net Position have been determined on the economic resources measurement focus and accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 2. COMMITMENTS AND LIABILITIES

The La Resolana Leadership Academy Charter School leased equipment and facilities under long-term cancelable operating leases. Rental expense for the year ended June 30, 2015 was \$131,762. The La Resolana Leadership Academy Charter School’s minimum future payments on this lease are as follows:

Year Ending June 30:	
2016	\$ 62,333
2017	70,000
Total	<u>\$ 132,333</u>

NOTE 3. DEFICIT FUND BALANCE

The following fund had a deficit fund balance at June 30, 2015:

Food Services - 21000	\$ 3,981
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The La Resolana Leadership Academy Charter School is addressing the negative fund balance and is planning on taking the appropriate actions to eliminate the negative balance.

NOTE 4. RELATED PARTY TRANSACTIONS

The business manager services are performed by the Vigil Group, which performed services for multiple state charter schools.

NOTE 5. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to the La Resolana Leadership Academy and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions. The contribution requirements of defined benefit plan members and La Resolana Leadership Academy are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year ended June 30, 2014 employers contributed 13.15% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.10% of their gross annual salary. For fiscal year ended June 30, 2015 employers contributed 13.90%, and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 contributed an increased amount of 10.70% of their gross annual salary. Contributions to the pension plan from La Resolana Leadership Academy were \$62,954 for the year ended June 30, 2015.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2013. The total ERB pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2014, using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date June 30, 2014. At June 30, 2015, La Resolana Leadership Academy reported a liability of \$829,035 for its proportionate share of the net pension liability. La Resolana Leadership Academy's proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2014. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2014, La Resolana Leadership Academy's proportion was .01453% percent, which was a decrease of 0.00062% from its proportion measured as of June 30, 2013.

For the year ended June 30, 2015, La Resolana Leadership Academy recognized pension expense of \$84,093. At the June 30, 2015, La Resolana Leadership Academy reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Resolana Leadership Academy
Notes to the Financial Statements
June 30, 2015

NOTE 5. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	12,350
Changes in assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	75,368
Changes in proportion and differences between La Resolana Leadership Academy contributions and proportionate share of contributions	76,868	-
La Resolana Leadership Academy contributions subsequent to the measurement date	<u>62,954</u>	<u>-</u>
Total	<u>\$ 139,822</u>	<u>87,718</u>

\$62,954 reported as deferred outflows of resources related to pensions resulting from La Resolana Leadership Academy contributions subsequent to the measurement date June 30, 2014 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2016	\$ (3,562)
2017	(3,562)
2018	(874)
2019	<u>18,848</u>
Total	<u>\$ 10,850</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Resolana Leadership Academy
 Notes to the Financial Statements
 June 30, 2015

NOTE 5. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

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

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
La Resolana Leadership Academy's proportionate share of the net pension liability	<u>\$ 1,127,999</u>	<u>829,035</u>	<u>579,361</u>

Payables to the pension plan. For the year ended June 30, 2015, La Resolana Leadership Academy School's accrued liability due to ERB was \$15,638 for payroll paid in July 2015.

NOTE 6. BUDGETARY OVERAGES

As stated in finding 2015-001, La Resolana Leadership Academy had expended in excess of the budget in the following funds and functional groups:

Fund 21000 Food Services	
Food Service Operations	\$14,037
Fund 27188 Teacher & School Leader Incentive Pay	
School Administration	\$ 3,800
Fund 27190 Teacher & School Leader Incentive Pay Group	
School Administration	\$ 797

NOTE 7. RESTATEMENT

As a result of implementation of GASB No. 68, *Accounting and Financial Reporting for Pensions*, net position at June 30, 2014 was restated in the amount of \$(755,792).

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Resolana Leadership Academy
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2015

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 829	-	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 401	-	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	206.99%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30, 2014

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Resolana Leadership Academy
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2015

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 53	-	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	53	-	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ -	-	-	-	-	-	-	-	-	-

Year	Total Amount Deferred	Amortization Years	Increase (Decrease) in Pension Expense over Recognition Periods											
			2015	2016	2017	2018	2019	2020	2021	2022	2023	2024		
2014	\$ 11	5	\$ (4)	(3)	(1)	19	-	-	-	-	-	-	-	-
2015	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2016	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2017	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2018	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2019	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2020	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2021	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2022	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2023	-	5	-	-	-	-	-	-	-	-	-	-	-	-
	\$ 11		\$ (4)	(3)	(1)	19	-	-	-	-	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Resolana Leadership Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 1,155,299	912,891	912,891	-
Total Revenues	<u>1,155,299</u>	<u>912,891</u>	<u>912,891</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	544,753	360,275	348,489	11,786
Support Services:				
Students	98,601	55,117	55,675	(558)
Instruction	9,200	10,918	9,455	1,463
General Administration	12,000	19,257	17,354	1,903
School Administration	199,945	214,803	214,804	(1)
Central Services	98,353	86,353	80,749	5,604
Operation & Maintenance of Plant	169,979	162,645	162,501	144
Food Services Operations	22,468	26,481	24,844	1,637
Total Expenditures	<u>1,155,299</u>	<u>935,849</u>	<u>913,871</u>	<u>21,978</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>(22,958)</u>	<u>(980)</u>	<u>21,978</u>
Net Changes in Fund Balances	<u>-</u>	<u>(22,958)</u>	<u>(980)</u>	<u>21,978</u>
Cash or Fund Balances - Beginning of Year	<u>30,111</u>	<u>30,111</u>	<u>30,111</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ 30,111</u>	<u>7,153</u>	<u>29,131</u>	<u>21,978</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (980)	
Adjustments to Expenditures			<u>74,239</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 73,259</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Resolana Leadership Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 3,800	6,404	6,403	(1)
Total Revenues	<u>3,800</u>	<u>6,404</u>	<u>6,403</u>	<u>(1)</u>
EXPENDITURES				
Current:				
Instruction	8,636	11,240	10,414	826
Total Expenditures	<u>8,636</u>	<u>11,240</u>	<u>10,414</u>	<u>826</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(4,836)</u>	<u>(4,836)</u>	<u>(4,011)</u>	<u>825</u>
Net Changes in Fund Balances	<u>(4,836)</u>	<u>(4,836)</u>	<u>(4,011)</u>	<u>825</u>
Cash or Fund Balances - Beginning of Year	<u>5,106</u>	<u>5,106</u>	<u>5,106</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ 270</u>	<u>270</u>	<u>1,095</u>	<u>825</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (4,011)	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (4,011)</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Resolana Leadership Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Food Services 21000
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 39,000	39,000	50,740	11,740
Charges for Services	400	400	45	(355)
Total Revenues	<u>39,400</u>	<u>39,400</u>	<u>50,785</u>	<u>11,385</u>
EXPENDITURES				
Current:				
Food Services Operations	39,400	39,400	53,437	(14,037)
Total Expenditures	<u>39,400</u>	<u>39,400</u>	<u>53,437</u>	<u>(14,037)</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(2,652)	(2,652)
Net Changes in Fund Balances	-	-	(2,652)	(2,652)
Cash or Fund Balances - Beginning of Year	8,102	8,102	8,102	-
Cash or Fund Balances - End of Year	<u>\$ 8,102</u>	<u>8,102</u>	<u>5,450</u>	<u>(2,652)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (2,652)	
Adjustments to Expenditures			<u>5,539</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 2,887</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Resolana Leadership Academy
 Schedule of Budgetary Comparisons - Budgetary Basis
 Title I IASA 24101
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 26,132	28,375	33,383	5,008
Total Revenues	<u>26,132</u>	<u>28,375</u>	<u>33,383</u>	<u>5,008</u>
EXPENDITURES				
Current:				
Instruction	26,132	28,375	28,375	-
Total Expenditures	<u>26,132</u>	<u>28,375</u>	<u>28,375</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	-	-	5,008	5,008
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>5,008</u>	<u>5,008</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>5,008</u>	<u>5,008</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ 5,008	
<i>Adjustments to Revenues</i>			(5,008)	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Resolana Leadership Academy
 Schedule of Budgetary Comparisons - Budgetary Basis
 IDEA-B Entitlement 24106
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 16,583	18,438	19,671	1,233
Total Revenues	<u>16,583</u>	<u>18,438</u>	<u>19,671</u>	<u>1,233</u>
EXPENDITURES				
Current:				
Instruction	16,583	18,438	18,438	-
Total Expenditures	<u>16,583</u>	<u>18,438</u>	<u>18,438</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>1,233</u>	<u>1,233</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>1,233</u>	<u>1,233</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>1,233</u>	<u>1,233</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 1,233	
Adjustments to Revenues			<u>(1,233)</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Resolana Leadership Academy
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Risk Pool 24120
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ -	16	175	159
<i>Total Revenues</i>	<u>-</u>	<u>16</u>	<u>175</u>	<u>159</u>
EXPENDITURES				
Current:				
Instruction	-	16	16	-
<i>Total Expenditures</i>	<u>-</u>	<u>16</u>	<u>16</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>159</u>	<u>159</u>
<i>Net Changes in Fund Balances</i>	<u>-</u>	<u>-</u>	<u>159</u>	<u>159</u>
<i>Cash or Fund Balances - Beginning of Year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or Fund Balances - End of Year</i>	<u>\$ -</u>	<u>-</u>	<u>159</u>	<u>159</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 159	
Adjustments to Revenues			<u>(159)</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Resolana Leadership Academy
 Schedule of Budgetary Comparisons - Budgetary Basis
 Teacher Principal Training 24154
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 3,819	8,142	1,132	(7,010)
Total Revenues	<u>3,819</u>	<u>8,142</u>	<u>1,132</u>	<u>(7,010)</u>
EXPENDITURES				
Current:				
Instruction	3,819	5,953	1,168	4,785
Support Services:				
School Administration	-	2,189	1,349	840
Total expenditures	<u>3,819</u>	<u>8,142</u>	<u>2,517</u>	<u>5,625</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(1,385)	(1,385)
Net changes in Fund Balances	-	-	(1,385)	(1,385)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(1,385)</u>	<u>(1,385)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (1,385)	
Adjustments to Revenues			1,385	
Adjustments to Expenditures			45	
NET CHANGE IN FUND BALANCE			<u>\$ 45</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Resolana Leadership Academy
 Schedule of Budgetary Comparisons - Budgetary Basis
 Title I Federal Stimulus 24201
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
<i>Total Revenues</i>	\$ -	-	-	-
EXPENDITURES				
Current:				
<i>Total Expenditures</i>	-	-	-	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
<i>Net Changes in Fund Balances</i>	-	-	-	-
<i>Cash or Fund Balances - Beginning of Year</i>	-	-	-	-
<i>Cash or Fund Balances - End of Year</i>	\$ -	-	-	-
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to revenues			49	
NET CHANGE IN FUND BALANCE			<u>\$ 49</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Resolana Leadership Academy
 Schedule of Budgetary Comparisons - Budgetary Basis
 2012 SB-66 Student Library 27107
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 3,081	3,081	3,081	-
Total Revenues	<u>3,081</u>	<u>3,081</u>	<u>3,081</u>	<u>-</u>
EXPENDITURES				
Current:				
Support Services:				
Instruction	3,081	3,081	3,081	-
Total Expenditures	<u>3,081</u>	<u>3,081</u>	<u>3,081</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Resolana Leadership Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Teacher & School Leader Incentive Pay 27188
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	18,750	-	(18,750)
Total Revenues	<u>-</u>	<u>18,750</u>	<u>-</u>	<u>(18,750)</u>
EXPENDITURES				
Current:				
Instruction	-	18,750	14,950	3,800
Support Services:				
School Administration	-	-	3,800	(3,800)
Total Expenditures	<u>-</u>	<u>18,750</u>	<u>18,750</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(18,750)</u>	<u>(18,750)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(18,750)</u>	<u>(18,750)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(18,750)</u>	<u>(18,750)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (18,750)	
Adjustments to Revenues			18,750	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Resolana Leadership Academy
 Schedule of Budgetary Comparisons - Budgetary Basis
 Teacher & School Leader Incentive Pay Group 27190
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	4,500	-	(4,500)
Total Revenues	<u>-</u>	<u>4,500</u>	<u>-</u>	<u>(4,500)</u>
EXPENDITURES				
Current:				
Instruction	-	4,500	3,703	797
Support Services:				
School Administration	-	-	797	(797)
Total Expenditures	<u>-</u>	<u>4,500</u>	<u>4,500</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(4,500)</u>	<u>(4,500)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(4,500)</u>	<u>(4,500)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(4,500)</u>	<u>(4,500)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (4,500)	
Adjustments to Revenues			4,500	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Resolana Leadership Academy
 Schedule of Budgetary Comparisons - Budgetary Basis
 Public School Capital Outlay 31200
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	54,756	54,210	(546)
Total Revenues	<u>-</u>	<u>54,756</u>	<u>54,210</u>	<u>(546)</u>
EXPENDITURES				
Current:				
Capital Outlay	-	54,756	54,756	-
Total Expenditures	<u>-</u>	<u>54,756</u>	<u>54,756</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(546)</u>	<u>(546)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(546)</u>	<u>(546)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(546)</u>	<u>(546)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (546)	
Adjustments to Revenues			<u>546</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Resolana Leadership Academy
 Schedule of Budgetary Comparisons - Budgetary Basis
 SB-9 Capital Improvements 31700
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 1,769	3,860	1,769	(2,091)
Total Revenues	<u>1,769</u>	<u>3,860</u>	<u>1,769</u>	<u>(2,091)</u>
EXPENDITURES				
Current:				
Capital Outlay	1,769	3,860	3,860	-
Total Expenditures	<u>1,769</u>	<u>3,860</u>	<u>3,860</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(2,091)</u>	<u>(2,091)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(2,091)</u>	<u>(2,091)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(2,091)</u>	<u>(2,091)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (2,091)	
Adjustments to Revenues			<u>2,091</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Resolana Leadership Academy
 Schedule of Collateral Pledged by Depository for Public Funds
 June 30, 2015

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2015</u>
N/A	N/A	N/A	N/A	<u>\$ -</u>

Total Cash per Schedule of Cash Accounts:	\$	33,170
Less: FDIC coverage:		<u>(33,170)</u>
Uninsured Public Funds:		-
Collateral Requirement:		-
Pledged Collateral Held by Pledging Financial Institution:		<u>-</u>
Balance Over Collateralized:	\$	<u>-</u>
Balance Uninsured and Uncollateralized at June 30, 2015:	\$	<u>-</u>

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STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Resolana Leadership Academy
 Schedule of Cash Accounts
 June 30, 2015

<u>Bank Account Type</u>	<u>Total</u>
Checking - Operational Account	\$ 33,170
<i>Total on Deposit</i>	33,170
Reconciling Items	<u>3,691</u>
Reconciled Balance June 30, 2015	<u>36,861</u>
Less Agency Funds	<u>(1,416)</u>
<i>Total Cash</i>	<u><u>\$ 35,445</u></u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Resolana Leadership Academy
Cash Reconciliation
June 30, 2015

	Operational 11000	Instructional Materials 14000	Food Services 21000
	<u>11000</u>	<u>14000</u>	<u>21000</u>
Cash, June 30, 2014	\$ 23,052	5,106	8,102
Add:			
2014-15 revenues	<u>912,891</u>	<u>6,403</u>	<u>50,785</u>
Total Cash Available	935,943	11,509	58,887
Less:			
2014-15 expenditures	(913,871)	(10,414)	(53,437)
Receivables/Payables	45,219		
Outstanding Loans	<u>(43,634)</u>		
Cash June 30, 2015	<u>23,657</u>	<u>1,095</u>	<u>5,450</u>
Fund Balance Reconciliations to GAAP Basis:			
Audit reclassifications to cash	5,243		
Cash Per Books	<u>28,900</u>	<u>1,095</u>	<u>5,450</u>
Fund Balance Reconciliation to GAAP Basis:			
Modified Accrual Adjustments	(15,487)		(9,431)
Fund Balance (Deficit), Modified Accrual Basis	<u>\$ 13,413</u>	<u>1,095</u>	<u>(3,981)</u>

Non-Instruct. Fund 23000	Federal Projects Account 24000	State Account 27000	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Total
616	(11,075)	-	(13,134)		12,667
<u>1,402</u>	<u>54,361</u>	<u>3,081</u>	<u>54,210</u>	<u>1,769</u>	<u>1,084,902</u>
2,018	43,286	3,081	41,076	1,769	1,097,569
(602)	(49,346)	(26,331)	(54,756)	(3,860)	(1,112,617)
		1,447			46,666
	<u>6,060</u>	<u>21,803</u>	<u>13,680</u>	<u>2,091</u>	<u>-</u>
<u>1,416</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,618</u>
					5,243
<u>1,416</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>36,861</u>
					Less: Activity Funds Per Schedule of Changes in Assets and Liabilities- Agency Fund: (1,416)
					<u>\$ 35,445</u>
<u>(1,416)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(26,334)</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,527</u>
					Balance Sheets - Governmental Funds: <u>\$ 10,527</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Tierra Montessori School of the Arts and Sciences
 Statement of Net Position
 June 30, 2015

ASSETS

Current Assets:

Cash and Cash Equivalents	\$ 79,823
Receivables	
Due from Other Governments	76,619
Prepaid Expenditures	6,000
Total Current Assets	<u>162,442</u>

Noncurrent Assets:

Capital Assets	
Building and Improvements	41,067
Furniture, Fixtures, and Equipment	7,845
Less: Accumulated Depreciation	(6,289)
Total Noncurrent Assets	<u>42,623</u>

Total Assets	<u>205,065</u>
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Deferred outflows - pension related	<u>118,574</u>
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LIABILITIES

Current Liabilities:

Accrued Liabilities	52,485
Total Current Liabilities	<u>52,485</u>

Noncurrent Liabilities:

Net Pension Liability	572,277
Total Noncurrent Liabilities	<u>572,277</u>

Total Liabilities	<u>624,762</u>
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Deferred inflows - pension related	<u>60,571</u>
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NET POSITION

Investment in Capital Assets	42,623
Restricted	46,570
Unrestricted	(450,887)
Total Net Position	<u>\$ (361,694)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Tierra Montessori School of the Arts and Sciences
 Statement of Activities
 For The Year Ended June 30, 2015

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 580,181	-	166,782	-	(413,399)
Support Services:					
Students	76,279	-	-	-	(76,279)
Instruction	3,264	-	-	-	(3,264)
General Administration	21,743	-	-	-	(21,743)
School Administration	143,387	-	-	-	(143,387)
Central Services	90,282	-	-	-	(90,282)
Operation & Maintenance of Plant	86,316	-	-	-	(86,316)
Student Transportation	42,247	-	46,277	-	4,030
Food Services	2,820	-	-	-	(2,820)
Facilities Materials, Supplies & Other Services	52,536	-	-	63,810	11,274
Total Governmental Activities	\$ 1,099,055	-	213,059	63,810	(822,186)

General Revenues:

Property Taxes	\$ 30,126
State Equalization Guarantee	840,804
Miscellaneous	343
Total General Revenues	871,273

Change in Net Position

	49,087
Net Position- Beginning	105,968
Resatement	(516,749)
Net Position- Beginning, restated	(410,781)
Net position, Ending	\$ (361,694)

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Tierra Montessori School of the Arts and Sciences
Balance Sheets - Governmental Funds
June 30, 2015

	Operational 11000	Student Transportation 13000	Instructional Materials 14000	Title I IASA 24101
ASSETS				
Cash and Cash Equivalents	\$ 39,253	14,524	4,308	-
Accounts Receivable				
Due from Governments	-	-	-	7,110
Due from Other Funds	79,627	-	-	-
Prepaid Expenditures	6,000	-	-	-
Total Assets	\$ 124,880	14,524	4,308	7,110
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accrued Expenditures	\$ 48,875	-	-	3,610
Due to Other Funds	-	-	-	3,500
Total Liabilities	48,875	-	-	7,110
Fund Balances (Deficit)				
Fund Balance:				
Nonspendable:				
Prepaid Expenditures	6,000	-	-	-
Restricted for:				
Instruction	-	-	4,308	-
Student Transportation	-	14,524	-	-
Capital Improvements	-	-	-	-
Unassigned (Deficit)	70,005	-	-	-
Total Fund Balance (Deficit)	76,005	14,524	4,308	-
Total Liabilities and Fund Balances (Deficit)	\$ 124,880	14,524	4,308	7,110

The accompanying notes are an integral part of these financial statements

IDEA-B Entitlement 24106	IDEA-B "Risk Pool" 24120	Charter Schools 24146	Teacher Principal Training 24154	Title XIX Medicaid 3/21 Years 25153	Conoco Phillips Grant 26200
-	-	-	-	4,541	7,917
8,213	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>8,213</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,541</u>	<u>7,917</u>
-	-	-	-	-	-
8,213	-	-	-	-	-
<u>8,213</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	4,541	7,917
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	4,541	7,917
<u>8,213</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,541</u>	<u>7,917</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Tierra Montessori School of the Arts and Sciences
Balance Sheets - Governmental Funds (Continued)
June 30, 2015

	NM Reads to Lead K-3 <u>27114</u>	Kindergarten Three Plus <u>27166</u>	Teacher and School Leader Incentive Pay <u>27188</u>	Private Direct Grants <u>29102</u>
ASSETS				
Cash and Cash Equivalents	\$ -	-	-	-
Accounts Receivable				
Due from Government	2,733	8,105	24,190	-
Due from Other Funds	-	-	-	-
Prepaid Expenditures	-	-	-	-
Total Assets	<u>\$ 2,733</u>	<u>8,105</u>	<u>24,190</u>	<u>-</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accrued Expenditures	\$ -	-	-	-
Due to Other Funds	2,733	8,105	24,190	6,618
Total Liabilities	<u>2,733</u>	<u>8,105</u>	<u>24,190</u>	<u>6,618</u>
Fund Balances (Deficit)				
Fund Balance:				
Nonspendable:				
Prepaid Expenditures	-	-	-	-
Restricted for:				
Instruction	-	-	-	-
Student Transportation	-	-	-	-
Capital Improvements	-	-	-	-
Unassigned (Deficit)	-	-	-	(6,618)
Total Fund Balance (Deficit)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(6,618)</u>
Total Liabilities and Fund Balances (Deficit)	<u>\$ 2,733</u>	<u>8,105</u>	<u>24,190</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements

City / County Grants 29107	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Total
371	-	8,909	79,823
-	26,268	-	76,619
-	-	-	79,627
-	-	-	6,000
<u>371</u>	<u>26,268</u>	<u>8,909</u>	<u>242,069</u>
-	-	-	52,485
-	26,268	-	79,627
-	26,268	-	132,112
-	-	-	6,000
371	-	-	17,137
-	-	-	14,524
-	-	8,909	8,909
-	-	-	63,387
<u>371</u>	<u>-</u>	<u>8,909</u>	<u>109,957</u>
<u>371</u>	<u>26,268</u>	<u>8,909</u>	<u>242,069</u>

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STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Tierra Montessori School of the Arts and Sciences
Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
June 30, 2015

Fund Balances - Total Governmental Funds **\$ 109,957**

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

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

Capital Assets	48,912	
Accumulated Depreciation	(6,289)	
		42,623

Defined benefit pension plan deferred outflows are not financial resources and, therefore, and not reported in the funds		118,574
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Long-term liabilities are not due in the current period and,
 therefore, are not reported in the funds.

Net Pension Liability	(572,277)	
		(572,277)

Defined benefit pension plan deferred inflows are not due and payable
 in the current period and, therefore, are not reported in the funds

		(60,571)

Net Position-Total Governmental Activities		\$ (361,694)

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Tierra Montessori School of the Arts and Sciences
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit)
Governmental Funds
For The Year Ended June 30, 2015

	Operational 11000	Student Transportation 13000	Instructional Materials 14000	Title I IASA 24101
REVENUES				
Property Taxes	\$ -	-	-	-
State Grant	840,804	46,277	6,759	-
Federal Grant	-	-	-	29,735
Miscellaneous Income	343	-	-	-
Total Revenues	<u>841,147</u>	<u>46,277</u>	<u>6,759</u>	<u>29,735</u>
EXPENDITURES				
Current:				
Instruction	476,495	-	11,758	29,735
Support Services:				
Students	52,963	-	-	-
Instruction	3,264	-	-	-
General Administration	21,743	-	-	-
School Administration	143,926	-	-	-
Central Services	89,176	-	-	-
Operation & Maintenance of Plant	82,185	-	-	-
Student Transportation	-	42,247	-	-
Food Services Operations	2,620	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>872,372</u>	<u>42,247</u>	<u>11,758</u>	<u>29,735</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(31,225)</u>	<u>4,030</u>	<u>(4,999)</u>	<u>-</u>
Net Changes in Fund Balances	<u>(31,225)</u>	<u>4,030</u>	<u>(4,999)</u>	<u>-</u>
Fund Balances(Deficit) - Beginning of Year	<u>107,230</u>	<u>10,494</u>	<u>9,307</u>	<u>-</u>
Fund Balances (Deficit) - End of Year	<u>\$ 76,005</u>	<u>14,524</u>	<u>4,308</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements

IDEA-B Entitlement 24106	IDEA-B "Risk Pool" 24120	Charter Schools 24146	Teacher Principal Training 24154	Title XIX Medicaid 3/21 Years 25153	Conoco Phillips Grant 26200
-	-	-	-	-	-
-	-	-	-	7,064	-
20,793	-	32,813	7,369	-	-
-	-	-	-	-	-
<u>20,793</u>	<u>-</u>	<u>32,813</u>	<u>7,369</u>	<u>7,064</u>	<u>-</u>
-	-	-	3,217	-	-
20,793	-	-	-	2,523	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	2,300
-	-	-	-	-	-
-	-	-	-	-	-
<u>20,793</u>	<u>-</u>	<u>-</u>	<u>3,217</u>	<u>2,523</u>	<u>2,300</u>
-	-	32,813	4,152	4,541	(2,300)
-	-	32,813	4,152	4,541	(2,300)
-	-	(32,813)	(4,152)	-	10,217
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,541</u>	<u>7,917</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Tierra Montessori School of the Arts and Sciences
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit) - Continued
Governmental Funds
For The Year Ended June 30, 2015

	NM Reads to Lead K-3 27114	Kindergarten Three Plus 27166	Teacher and School Leader Incentive Pay 27188	Private Direct Grants 29102
REVENUES				
Property Taxes	\$ -	-	-	-
State Grant	29,954	8,105	24,190	-
Federal Grant	-	-	-	-
Miscellaneous Income	-	-	-	-
Total Revenues	<u>29,954</u>	<u>8,105</u>	<u>24,190</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	21,999	8,105	24,190	6,618
Support Services:				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>21,999</u>	<u>8,105</u>	<u>24,190</u>	<u>6,618</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>7,955</u>	<u>-</u>	<u>-</u>	<u>(6,618)</u>
Net Changes in Fund Balances	<u>7,955</u>	<u>-</u>	<u>-</u>	<u>(6,618)</u>
Fund Balances(Deficit) - Beginning of Year	<u>(7,955)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances (Deficit) - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>(6,618)</u>

The accompanying notes are an integral part of these financial statements

City / County Grants 29107	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Total
-	-	30,126	30,126
-	63,810	-	1,026,963
-	-	-	90,710
-	-	-	343
-	63,810	30,126	1,148,142
-	-	-	582,117
-	-	-	76,279
-	-	-	3,264
-	-	-	21,743
-	-	-	143,926
-	-	-	89,176
-	-	-	84,485
-	-	-	42,247
200	-	-	2,820
-	52,536	21,217	73,753
200	52,536	21,217	1,119,810
(200)	11,274	8,909	28,332
(200)	11,274	8,909	28,332
571	(11,274)	-	81,625
371	-	8,909	109,957

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Tierra Montessori School of the Arts and Sciences
 Reconciliation of the Statement of Revenues, Expenditures, and Changes
 in Fund Balances (Deficit) of Governmental Funds to the Statement of Activities
 For the Year Ended June 30, 2015

Net Change in Fund Balances-Total Governmental Funds **\$ 28,332**

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

Change in net pension liability 2,475

Expenditures to purchase or build capital assets, pay for interest on
 debt, and amortization on long term assets are reported in
 governmental funds as expenditures. However, for governmental
 activities those costs are shown in the Statement of Net Position and
 allocated over their estimated useful lives as annual depreciation
 expenses in the Statement of Activities. This is the amount by which
 capital outlay exceeds depreciation for the period

Capital Outlays	21,217	
Depreciation Expense	(2,937)	
	18,280	18,280

Change in Net Position-Total Governmental Activities **\$ 49,087**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Tierra Montessori School of the Arts and Sciences
Statement of Fiduciary Assets and Liabilities - Agency Funds
June 30, 2015

	<u>Funds</u>
ASSETS	
Cash in Bank	<u>\$ 433</u>
Total Assets	<u><u>\$ 433</u></u>
LIABILITIES	
Deposits Held for Others	<u>\$ 433</u>
Total Liabilities	<u><u>\$ 433</u></u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Tierra Montessori School of the Arts and Sciences
 Schedule of Changes in Assets and Liabilities - Agency Funds
 For The Year Ended June 30, 2015

	Balance July 1, 2014	Additions	Deductions	Balance June 30, 2015
ASSETS				
Cash in Bank	\$ 1,959	-	(1,526)	433
Total Assets	<u>\$ 1,959</u>	<u>-</u>	<u>(1,526)</u>	<u>433</u>
LIABILITIES				
Deposits Held for Others	\$ 1,959	-	(1,526)	433
Total Liabilities	<u>\$ 1,959</u>	<u>-</u>	<u>(1,526)</u>	<u>433</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Tierra Montessori School of the Arts and Sciences
 Notes to the Financial Statements
 June 30, 2015

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Capital Assets. Capital assets purchased or acquired are 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. La Tierra Montessori School of the Arts and Science’s capitalization policy (i.e., the dollar value above which the asset acquisitions are added to the capital accounts) is \$5,000. La Tierra Montessori School of the Arts and Sciences (La Tierra) does not capitalize any interest with regard to its capital assets.

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

Furniture, Fixtures and Equipment	7 years
Buildings and Improvements	15 years

Capital assets for La Tierra are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB’s Fiduciary Net Position have been determined on the economic resources measurement focus and accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 2. RECEIVABLES

Receivables as of June 30, 2015 are as follows:

Due from Other Governments:		
Title I	\$	7,110
IDEA-B Entitlement		8,213
NM Reads to Lead K-3		2,733
Kindergarten Three Plus		8,105
Teacher and School Leader Incentive Pay		24,190
Public School Capital Outlay		<u>26,268</u>
Total Due from Other Governments	\$	<u><u>76,619</u></u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Tierra Montessori School of the Arts and Sciences
Notes to the Financial Statements
June 30, 2015

NOTE 3. CAPITAL ASSETS

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

	Balance			Balance
	June 30, 2014	Additions	Deletions	June 30, 2015
<i>Capital Assets being Depreciated:</i>				
Furniture, Fixtures and Equipment	\$ 7,845	-	-	7,845
Building and Improvements	19,850	21,217	-	41,067
<i>Total</i>	<u>27,695</u>	<u>21,217</u>	-	<u>48,912</u>
<i>Less: Accumulated Depreciation</i>				
Furniture, fixtures and equipment	(1,936)	(1,106)	-	(3,042)
Building and improvements	(1,416)	(1,831)	-	(3,247)
<i>Total</i>	<u>(3,352)</u>	<u>(2,937)</u>	-	<u>(6,289)</u>
Capital Assets, Net	<u>\$ 24,343</u>	<u>18,280</u>	-	<u>42,623</u>

Depreciation expensed for the year ended June 30, 2015 was expensed to the following functions:

Central Services	\$ 1,106
Operations / Plant Maintenance	<u>1,831</u>
Total	<u><u>\$ 2,937</u></u>

NOTE 4. COMMITMENTS AND LIABILITIES

La Tierra leased buildings and equipment under short-term cancelable operating leases. Rental expense for the year ended June 30, 2015 was \$66,088. La Tierra's minimum future payments on these leases are as follows:

Year Ending June 30:	
2016	\$ 72,000
2017	72,000
2018	72,000
2019	72,000
2020	72,000
2021-2025	360,000
2026	<u>12,000</u>
Total minimum lease payments	<u><u>\$ 732,000</u></u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Tierra Montessori School of the Arts and Sciences
Notes to the Financial Statements
June 30, 2015

NOTE 5. DEFICIT FUND BALANCE

The following fund had a deficit fund balance at June 30, 2015:

29102 Private Direct Grants	\$	6,618
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La Tierra is addressing the negative fund balance and is planning on taking the appropriate actions to eliminate the negative balance.

NOTE 6. RELATED PARTY TRANSACTIONS

The Business Manager is also the Business Manager of Taos Integrated School of Arts, Taos Academy, McCurdy Charter School and Dream Dine' Charter School.

NOTE 7. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to La Tierra Montessori School of the Arts and Sciences and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions. The contribution requirements of defined benefit plan members and La Tierra Montessori School of the Arts and Sciences are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year ended June 30, 2014 employers contributed 13.15% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.10% of their gross annual salary. For fiscal year ended June 30, 2015 employers contributed 13.90%, and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 contributed an increased amount of 10.70% of their gross annual salary. Contributions to the pension plan from La Tierra Montessori School of the Arts and Sciences were \$61,832 for the year ended June 30, 2015.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Tierra Montessori School of the Arts and Sciences
Notes to the Financial Statements
June 30, 2015

NOTE 7. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2013. The total ERB pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2014, using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date June 30, 2014. At June 30, 2015, La Tierra Montessori School of the Arts and Sciences reported a liability of \$572,277 for its proportionate share of the net pension liability. La Tierra Montessori School of the Arts and Science's proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2014. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2014, La Tierra Montessori School of the Arts and Science's proportion was 0.01003% percent, which was an increase of 0.00122% from its proportion measured as of June 30, 2013.

For the year ended June 30, 2015, La Tierra Montessori School of the Arts and Sciences recognized pension expense of \$59,357. At the June 30, 2015, La Tierra Montessori School of the Arts and Sciences reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	8,528
Changes in assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	52,043
Changes in proportion and differences between La Tierra Montessori School of the Arts and Science's contributions and proportionate share of contributions	56,742	-
La Tierra Montessori School of the Arts and Science's contributions subsequent to the measurement date	61,832	-
Total	<u>\$ 118,574</u>	<u>60,571</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Tierra Montessori School of the Arts and Sciences
Notes to the Financial Statements
June 30, 2015

NOTE 7. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (Continued)

\$61,832 reported as deferred outflows of resources related to pensions resulting from La Tierra Montessori School of the Arts and Science’s contributions subsequent to the measurement date June 30, 2014 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2016	\$	(3,738)
2017		(3,738)
2018		(1,729)
2019		<u>13,034</u>
Total	\$	<u><u>3,829</u></u>

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

	<u>1% Decrease (6.75%)</u>	<u>Current Discount Rate (7.75%)</u>	<u>1% Increase (8.75%)</u>
La Tierra Montessori School of the Arts and Science’s proportionate share of the net pension liability	<u>\$ 778,650</u>	<u>572,277</u>	<u>400,058</u>

Payables to the pension plan. La Tierra Montessori School of the Arts and Sciences accrued \$19,295 in ERB benefits at June 30, 2015 for teachers with ten month contracts.

NOTE 8. RESTATEMENT

As a result of implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, Net Position at June 30, 2014 was restated in the amount of (\$516,749).

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
 La Tierra Montessori School of the Arts and Sciences
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2015

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 572	-	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 277	-	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	206.50%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30, 2014

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Tierra Montessori School of the Arts and Sciences
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2015

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 36	-	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	36	-	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ -	-	-	-	-	-	-	-	-	-

		Increase (Decrease) in Pension Expense over Recognition Periods										
Year	Total Amount Deferred	Amortization Years	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
2014	\$ 4	5		\$ (4)	(4)	(2)	14	-	-	-	-	-
2015	-	5			-	-	-	-	-	-	-	-
2016	-	5				-	-	-	-	-	-	-
2017	-	5					-	-	-	-	-	-
2018	-	5						-	-	-	-	-
2019	-	5							-	-	-	-
2020	-	5								-	-	-
2021	-	5									-	-
2022	-	5										-
2023	-	5										-
	\$ 4		\$ (4)	(4)	(2)	14	-	-	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Tierra Montessori School of the Arts and Sciences
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 779,325	840,804	840,804	-
Miscellaneous Income	-	-	343	343
Total Revenues	779,325	840,804	841,147	343
EXPENDITURES				
Current:				
Instruction	407,252	487,910	476,495	11,415
Support Services:				
Students	38,140	66,476	52,963	13,513
Instruction	23,000	25,747	3,264	22,483
General Administration	-	-	21,743	(21,743)
School Administration	138,020	150,652	143,926	6,726
Central Services	78,750	112,887	89,176	23,711
Operation & Maintenance of Plant	94,163	101,463	82,185	19,278
Food Services Operations	-	2,900	2,620	280
Total Expenditures	779,325	948,035	872,372	75,663
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	(107,231)	(31,225)	76,006
Net Changes in Fund Balances	-	(107,231)	(31,225)	76,006
Cash or Fund Balances - Beginning of Year	-	-	107,230	107,230
Cash or Fund Balances - End of Year	\$ -	(107,231)	76,005	183,236
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (31,225)	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ (31,225)	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Tierra Montessori School of the Arts and Sciences
Schedule of Budgetary Comparisons - Budgetary Basis
Student Transportation 13000
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 37,252	37,252	46,277	9,025
Total Revenues	<u>37,252</u>	<u>37,252</u>	<u>46,277</u>	<u>9,025</u>
EXPENDITURES				
Current:				
Student Transportation	37,252	42,499	42,247	252
Total Expenditures	<u>37,252</u>	<u>42,499</u>	<u>42,247</u>	<u>252</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	-	(5,247)	4,030	9,277
Net Changes in Fund Balances	<u>-</u>	<u>(5,247)</u>	<u>4,030</u>	<u>9,277</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>10,494</u>	<u>10,494</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>(5,247)</u>	<u>14,524</u>	<u>19,771</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ 4,030	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 4,030</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Tierra Montessori School of the Arts and Sciences
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	6,759	6,759	-
Total Revenues	-	6,759	6,759	-
EXPENDITURES				
Current:				
Instruction	-	16,066	11,758	4,308
Total Expenditures	-	16,066	11,758	4,308
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	(9,307)	(4,999)	4,308
Net Changes in Fund Balances	-	(9,307)	(4,999)	4,308
Cash or Fund Balances - Beginning of Year	-	-	9,307	9,307
Cash or Fund Balances - End of Year	\$ -	(9,307)	4,308	13,615
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (4,999)	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ (4,999)	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Tierra Montessori School of the Arts and Sciences
Schedule of Budgetary Comparisons - Budgetary Basis
Title I IASA 24101
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 20,607	43,171	22,625	(20,546)
Total Revenues	<u>20,607</u>	<u>43,171</u>	<u>22,625</u>	<u>(20,546)</u>
EXPENDITURES				
Current:				
Instruction	20,607	43,171	29,735	13,436
Total Expenditures	<u>20,607</u>	<u>43,171</u>	<u>29,735</u>	<u>13,436</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(7,110)	(7,110)
Net Changes in Fund Balances	-	-	(7,110)	(7,110)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(7,110)</u>	<u>(7,110)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (7,110)	
Adjustments to Revenues			7,110	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Tierra Montessori School of the Arts and Sciences
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Entitlement 24106
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ -	20,885	12,580	(8,305)
Total Revenues	<u>-</u>	<u>20,885</u>	<u>12,580</u>	<u>(8,305)</u>
EXPENDITURES				
Current:				
Support Services:				
Students	-	20,885	20,793	92
Total Expenditures	<u>-</u>	<u>20,885</u>	<u>20,793</u>	<u>92</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(8,213)</u>	<u>(8,213)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(8,213)</u>	<u>(8,213)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(8,213)</u>	<u>(8,213)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (8,213)	
Adjustments to Revenues			8,213	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Tierra Montessori School of the Arts and Sciences
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B "Risk Pool" 24120
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ -	22	-	(22)
Total Revenues	<u>-</u>	<u>22</u>	<u>-</u>	<u>(22)</u>
EXPENDITURES				
Current:				
Support Services:				
Students	-	22	-	22
Total Expenditures	<u>-</u>	<u>22</u>	<u>-</u>	<u>22</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Tierra Montessori School of the Arts and Sciences
Schedule of Budgetary Comparisons - Budgetary Basis
Charter Schools 24146
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ -	-	32,813	32,813
Total Revenues	-	-	32,813	32,813
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	32,813	32,813
Net Changes in Fund Balances	-	-	32,813	32,813
Cash or Fund Balances - Beginning of Year	-	-	(32,813)	(32,813)
Cash or Fund Balances - End of Year	\$ -	-	-	-
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 32,813	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 32,813	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Tierra Montessori School of the Arts and Sciences
Schedule of Budgetary Comparisons - Budgetary Basis
Teacher / Principal Training 24154
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 3,302	8,487	7,369	(1,118)
Total Revenues	<u>3,302</u>	<u>8,487</u>	<u>7,369</u>	<u>(1,118)</u>
EXPENDITURES				
Current:				
Instruction	3,302	8,487	3,217	5,270
Total Expenditures	<u>3,302</u>	<u>8,487</u>	<u>3,217</u>	<u>5,270</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	4,152	4,152
Net Changes in Fund Balances	-	-	4,152	4,152
Cash or Fund Balances - Beginning of Year	-	-	(4,152)	(4,152)
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 4,152	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 4,152</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Tierra Montessori School of the Arts and Sciences
Schedule of Budgetary Comparisons - Budgetary Basis
Title XIX Medicaid 3/21 Years 25153
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	2,594	7,064	4,470
Total Revenues	-	2,594	7,064	4,470
EXPENDITURES				
Current:				
Support Services:				
Students	-	2,594	2,523	71
Total Expenditures	-	2,594	2,523	71
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	4,541	4,541
Net Changes in Fund Balances	-	-	4,541	4,541
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	4,541	4,541
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 4,541	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 4,541	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Tierra Montessori School of the Arts and Sciences
Schedule of Budgetary Comparisons - Budgetary Basis
Conoco Phillips Grant 26200
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
EXPENDITURES				
Current:				
Operation & Maintenance of Plant	\$ 10,217	10,217	2,300	7,917
Total Expenditures	<u>10,217</u>	<u>10,217</u>	<u>2,300</u>	<u>7,917</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	<u>(10,217)</u>	<u>(10,217)</u>	<u>(2,300)</u>	<u>(7,917)</u>
Net Changes in Fund Balances	<u>(10,217)</u>	<u>(10,217)</u>	<u>(2,300)</u>	<u>(7,917)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>10,217</u>	<u>10,217</u>
Cash or Fund Balances - End of Year	<u>\$ (10,217)</u>	<u>(10,217)</u>	<u>7,917</u>	<u>2,300</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ (2,300)	
Adjustments to Revenues			-	
Adjustments to Expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ (2,300)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Tierra Montessori School of the Arts and Sciences
Schedule of Budgetary Comparisons - Budgetary Basis
NM Reads to Lead K-3 27114
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 22,000	22,000	27,221	5,221
Total Revenues	<u>22,000</u>	<u>22,000</u>	<u>27,221</u>	<u>5,221</u>
EXPENDITURES				
Current:				
Instruction	22,000	22,000	21,999	1
Total Expenditures	<u>22,000</u>	<u>22,000</u>	<u>21,999</u>	<u>1</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	5,222	5,222
Net Changes in Fund Balances	-	-	5,222	5,222
Cash or Fund Balances - Beginning of Year	-	-	(7,955)	(7,955)
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(2,733)</u>	<u>(2,733)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 5,222	
Adjustments to Revenues			2,733	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 7,955</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Tierra Montessori School of the Arts and Sciences
Schedule of Budgetary Comparisons - Budgetary Basis
Kindergarten Three Plus 27166
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	10,465	-	(10,465)
Total Revenues	<u>-</u>	<u>10,465</u>	<u>-</u>	<u>(10,465)</u>
EXPENDITURES				
Current:				
Instruction	-	9,215	8,105	1,110
Student Transportation	-	1,250	-	1,250
Total Expenditures	<u>-</u>	<u>10,465</u>	<u>8,105</u>	<u>2,360</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(8,105)</u>	<u>(8,105)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(8,105)</u>	<u>(8,105)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(8,105)</u>	<u>(8,105)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (8,105)	
Adjustments to Revenues			8,105	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Tierra Montessori School of the Arts and Sciences
Schedule of Budgetary Comparisons - Budgetary Basis
Teacher and School Leader Incentive Pay 27188
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	33,150	-	(33,150)
Total Revenues	<u>-</u>	<u>33,150</u>	<u>-</u>	<u>(33,150)</u>
EXPENDITURES				
Current:				
Instruction	-	33,150	24,190	8,960
Total Expenditures	<u>-</u>	<u>33,150</u>	<u>24,190</u>	<u>8,960</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	-	-	(24,190)	(24,190)
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(24,190)</u>	<u>(24,190)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(24,190)</u>	<u>(24,190)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ (24,190)	
Adjustments to Revenues			24,190	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Tierra Montessori School of the Arts and Sciences
Schedule of Budgetary Comparisons - Budgetary Basis
Private Direct Grants 29102
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Miscellaneous Income	\$ -	15,500	-	(15,500)
Total Revenues	<u>-</u>	<u>15,500</u>	<u>-</u>	<u>(15,500)</u>
EXPENDITURES				
Current:				
Instruction	-	15,500	6,618	8,882
Total Expenditures	<u>-</u>	<u>15,500</u>	<u>6,618</u>	<u>8,882</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	-	-	(6,618)	(6,618)
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(6,618)</u>	<u>(6,618)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(6,618)</u>	<u>(6,618)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ (6,618)	
Adjustments to Revenues			-	
Adjustments to Expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ (6,618)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Tierra Montessori School of the Arts and Sciences
Schedule of Budgetary Comparisons - Budgetary Basis
City / County Grants 29107
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
EXPENDITURES				
Current:				
Food Services Operations	\$ -	571	200	371
Total Expenditures	<u>-</u>	<u>571</u>	<u>200</u>	<u>371</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	(571)	(200)	(371)
Net Changes in Fund Balances	<u>-</u>	<u>(571)</u>	<u>(200)</u>	<u>(371)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>571</u>	<u>571</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>(571)</u>	<u>371</u>	<u>200</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (200)	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (200)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Tierra Montessori School of the Arts and Sciences
Schedule of Budgetary Comparisons - Budgetary Basis
Public School Capital Outlay 31200
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	52,536	37,542	(14,994)
Total Revenues	-	52,536	37,542	(14,994)
EXPENDITURES				
Capital Outlay	-	52,536	52,536	-
Total Expenditures	-	52,536	52,536	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(14,994)	(14,994)
Net Changes in Fund Balances	-	-	(14,994)	(14,994)
Cash or Fund Balances - Beginning of Year	-	-	(11,274)	(11,274)
Cash or Fund Balances - End of Year	\$ -	-	(26,268)	(26,268)
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (14,994)	
Adjustments to Revenues			26,268	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 11,274	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Tierra Montessori School of the Arts and Sciences
Schedule of Budgetary Comparisons - Budgetary Basis
Capital Improvements SB-9 31700
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Property Taxes	\$ 18,206	26,047	30,126	4,079
State Grant	4,960	10,344	-	(10,344)
Total Revenues	23,166	36,391	30,126	(6,265)
EXPENDITURES				
Capital Outlay	23,166	36,391	21,217	15,174
Total Expenditures	23,166	36,391	21,217	15,174
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	8,909	8,909
Net Changes in Fund Balances	-	-	8,909	8,909
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	8,909	8,909
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 8,909	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 8,909	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Tierra Montessori School of the Arts and Sciences
 Schedule of Collateral Pledged by Depository for Public Funds
 June 30, 2015

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2015</u>
N/A	N/A	N/A	N/A	\$ -
				<u>\$ -</u>

Total Cash per Schedule of Cash Accounts:	\$	154,764
Less: FDIC coverage:		<u>(154,764)</u>
Uninsured Public Funds:		-
Collateral Requirement:		-
Pledged Collateral Held by Pledging Financial Institution:		<u>-</u>
Balance Over Collateralized:	\$	<u>-</u>
Balance Uninsured and Uncollateralized at June 30, 2015:	\$	<u>-</u>

The accompanying notes are an integral part of these financial statements

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STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 La Tierra Montessori School of the Arts and Sciences
 Schedule of Cash Accounts
 June 30, 2015

<u>Bank Account Type</u>	<u>Los Alamos National Bank</u>
Checking - Operational Account	\$ 154,764
<i>Total on Deposit</i>	154,764
Reconciling Items	<u>(74,508)</u>
Reconciled Balance June 30, 2015	<u>80,256</u>
Less Agency Funds	<u>(433)</u>
<i>Total Cash</i>	<u><u>\$ 79,823</u></u>

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
La Tierra Montessori School of the Arts and Sciences
Cash Reconciliation
June 30, 2015

	Operational 11000	Student Transportation 13000	Instructional Materials 14000	Federal Flowthrough 24000
Cash, June 30, 2014	\$ 107,230	10,494	9,307	(36,965)
Add:				
2014-15 revenues	841,147	46,277	6,759	75,387
Total cash available	948,377	56,771	16,066	38,422
Less:				
2014-15 expenditures	(872,372)	(42,247)	(11,758)	(53,745)
Receivables/Payables	48,875	-	-	3,610
Prepaid Expenses	(6,000)	-	-	-
Cash June 30, 2015	118,880	14,524	4,308	(11,713)
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	(79,627)	-	-	11,713
Cash per Books	39,253	14,524	4,308	-
Fund Balance (Deficit) Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	(42,875)	-	-	11,713
Fund Balance (Deficit), Modified Accrual Basis	<u>\$ 76,005</u>	<u>14,524</u>	<u>4,308</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements

State Direct 25000	Local Grants 26000	State Flowthrough 27000	Local or State Fund 29000	Public School Capital Outlay 31200	Capital Improvements SB-9 31700	Total
-	10,217	(7,955)	571	(11,274)	-	81,625
7,064	-	27,221	-	37,542	30,126	1,071,523
7,064	10,217	19,266	571	26,268	30,126	1,153,148
(2,523)	(2,300)	(54,294)	(6,818)	(52,536)	(21,217)	(1,119,810)
-	-	-	-	-	-	52,485
-	-	-	-	-	-	(6,000)
4,541	7,917	(35,028)	(6,247)	(26,268)	8,909	79,823
-	-	35,028	6,618	26,268	-	-
4,541	7,917	-	371	-	8,909	79,823
-	-	35,028	-	26,268	-	30,134
4,541	7,917	-	(6,247)	-	8,909	109,957

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The Masters Program
Statement of Net Position
June 30, 2015

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 693,332
Receivables	
Due from Other Governments	22,612
Total Current Assets	<u>715,944</u>

Noncurrent Assets:

Capital Assets	
Furniture, Fixtures, and Equipment	173,100
Less: Accumulated Depreciation	(103,860)
Total Noncurrent Assets	<u>69,240</u>

Total Assets	<u>785,184</u>
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Deferred Outflows - Pension Related	<u>308,571</u>
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LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accrued Liabilities	127,029
Total Current Liabilities	<u>127,029</u>

Noncurrent Liabilities:

Net Pension Liability	1,819,549
Total Noncurrent Liabilities	<u>1,819,549</u>

Total Liabilities	<u>1,946,578</u>
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Deferred Inflows - Pension Related	<u>192,485</u>
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NET POSITION

Investment in Capital Assets	69,240
Restricted	25,468
Unrestricted (Deficit)	(1,140,016)
Total Net Position	<u>\$ (1,045,308)</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The Masters Program
Statement of Activities
For The Year Ended June 30, 2015

Functions/Programs	Program Revenues				Net (Expenses) Revenues and Changes in Net Position
	Expenses	Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 1,013,383	-	77,275	-	(936,108)
Support Services:					
Students	388,029	-	-	-	(388,029)
Instruction	127,966	-	-	-	(127,966)
General Administration	37,484	-	-	-	(37,484)
School Administration	162,882	-	-	-	(162,882)
Central Services	165,974	-	-	-	(165,974)
Operation & Maintenance of Plant	74,534	-	-	-	(74,534)
Facilities Materials, Supplies & Other Services	104,144	-	-	104,144	-
Total Governmental Activities	\$ 2,074,396	-	77,275	104,144	(1,892,977)
General Revenues:					
State Equalization Guarantee					\$ 1,896,035
Total General Revenues					<u>1,896,035</u>
Change in Net Position					3,058
Net Position, Beginning of Year					595,464
Restatement					<u>(1,643,830)</u>
Net Positions, as Restated					<u>(1,048,366)</u>
Net Position, Ending					<u>\$ (1,045,308)</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The Masters Program
Balance Sheets - Governmental Funds
June 30, 2015

	Operational 11000	Instructional Materials 14000	IDEA-B Entitlement 24106	Teacher Principal Training 24154
ASSETS				
Cash and Cash Equivalents	\$ 667,864	25,468	-	-
Accounts Receivable				
Due from Government	-	-	-	-
Due from Other Funds	25,133	-	-	-
Total Assets	\$ 692,997	25,468	-	-
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accrued Expenditures	\$ 127,029	-	-	-
Due to Other Funds	-	-	-	-
Total Liabilities	127,029	-	-	-
Fund Balances (Deficit)				
Fund Balance:				
Restricted for:				
Instruction	-	25,468	-	-
Unassigned (Deficit)	565,968	-	-	-
Total Fund Balance (Deficit)	565,968	25,468	-	-
Total Liabilities and Fund Balances	\$ 692,997	25,468	-	-

Dual Credit Instructional Materials 27103	Early College High School 27180	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Total
-	-	-	-	693,332
-	-	22,612	-	22,612
-	-	-	-	25,133
-	-	22,612	-	741,077
-	-	-	-	127,029
2,521	-	22,612	-	25,133
2,521	-	22,612	-	152,162
-	-	-	-	25,468
(2,521)	-	-	-	563,447
(2,521)	-	-	-	588,915
-	-	22,612	-	741,077

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STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 The Masters Program
 Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
 June 30, 2015

Fund Balance - Total Governmental Funds **\$ 588,915**

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

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

Capital Assets	173,100	
Accumulated Depreciation	<u>(103,860)</u>	69,240

Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds.

308,571

Long-term liabilities are not due in the current period and, therefore, are not reported in the funds.

Net Pension Liability		(1,819,549)
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Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds.

(192,485)

Net Position-Total Governmental Activities		<u><u>\$ (1,045,308)</u></u>
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STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The Masters Program
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit)
Governmental Funds
For The Year Ended June 30, 2015

	Operational 11000	Instructional Materials 14000	IDEA-B Entitlement 24106	Teacher Principal Training 24154
REVENUES				
Local & County Grant	\$ 485	-	-	-
State Grant	1,896,035	14,158	-	-
Federal Grant	-	-	13,419	5,075
Total Revenues	<u>1,896,520</u>	<u>14,158</u>	<u>13,419</u>	<u>5,075</u>
EXPENDITURES				
Current:				
Instruction	889,007	6,541	-	4,950
Support Services:				
Students	370,452	-	8,036	-
Instruction	122,003	-	-	-
General Administration	37,484	-	-	-
School Administration	150,218	-	5,383	125
Central Services	165,974	-	-	-
Operation & Maintenance of Plant	69,167	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>1,804,305</u>	<u>6,541</u>	<u>13,419</u>	<u>5,075</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>92,215</u>	<u>7,617</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>92,215</u>	<u>7,617</u>	<u>-</u>	<u>-</u>
Fund Balances(Deficit) - Beginning of Year	<u>473,753</u>	<u>17,851</u>	<u>-</u>	<u>-</u>
Fund Balances (Deficit) - End of Year	<u>\$ 565,968</u>	<u>25,468</u>	<u>-</u>	<u>-</u>

Dual Credit Instructional Materials 27103	Early College High School 27180	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Total
-	-	-	-	485
14,288	29,850	95,477	8,667	2,058,475
-	-	-	-	18,494
<u>14,288</u>	<u>29,850</u>	<u>95,477</u>	<u>8,667</u>	<u>2,077,454</u>
16,809	29,850	-	-	947,157
-	-	-	-	378,488
-	-	-	-	122,003
-	-	-	-	37,484
-	-	-	-	155,726
-	-	-	-	165,974
-	-	-	-	69,167
-	-	95,477	8,667	104,144
<u>16,809</u>	<u>29,850</u>	<u>95,477</u>	<u>8,667</u>	<u>1,980,143</u>
<u>(2,521)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>97,311</u>
<u>(2,521)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>97,311</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>491,604</u>
<u>(2,521)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>588,915</u>

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The Masters Program
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2015**

Net Change in Fund Balance-Total Governmental Funds **\$ 97,311**

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

Capital outlays to purchase or build capital assets are reported in
governmental funds as expenditures. However, for governmental activities
those costs are shown in the Statement of Net Position and allocated over
their estimated useful lives as annual depreciation expenses in the
Statement of Activities. This is the amount by which capital outlay exceeds
depreciation for the period

Depreciation Expense	(34,620)
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The issuance of long-term debt (e.g., bonds, notes, leases) provide current
financial resources to governmental funds, while the repayment of the
principal of long-term debt consumes the current financial resources of
governmental funds. Neither transaction, however, has any effect on net
position.

Change in Net Pension Liability	(59,633)
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Change in Net Position-Total Governmental Activities	\$ 3,058
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STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 The Masters Program
 Statement of Fiduciary Assets and Liabilities- Agency Funds
 June 30, 2015

	<u>Agency</u>
ASSETS	
Cash in Bank	\$ 13,999
Total Assets	<u>\$ 13,999</u>
LIABILITIES	
Deposits Held for Others	\$ 13,999
Total Liabilities	<u>\$ 13,999</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 The Masters Program
 Schedule of Changes in Assets and Liabilities - Agency Funds
 For The Year Ended June 30, 2015

	<u>Balance</u> <u>July 1, 2014</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2015</u>
ASSETS				
Cash in Bank	\$ 8,615	15,044	(9,660)	13,999
Total Assets	<u>\$ 8,615</u>	<u>15,044</u>	<u>(9,660)</u>	<u>13,999</u>
LIABILITIES				
Deposits Held for Others	\$ 8,615	15,044	(9,660)	13,999
Total Liabilities	<u>\$ 8,615</u>	<u>15,044</u>	<u>(9,660)</u>	<u>13,999</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The MASTERS Program
Notes to the Financial Statements
June 30, 2015

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Capital Assets. Capital assets purchased or acquired are 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 MASTERS Programs' capitalization policy (i.e., the dollar value above which the asset acquisitions are added to the capital accounts) is \$5,000. The MASTERS Program does not capitalize any interest with regard to its capital assets.

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

Furniture, Fixtures and Equipment	5 years
Buildings and Improvements	40 years

Capital assets for the MASTERS Program are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB's Fiduciary Net Position have been determined on the economic resources measurement focus and accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 2. CAPITAL ASSETS

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

	<u>Balance</u> <u>June 30, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2015</u>
<i>Capital Assets being Depreciated:</i>				
Furniture, Fixtures and Equipment	\$ 173,100	-	-	173,100
<i>Total</i>	<u>173,100</u>	<u>-</u>	<u>-</u>	<u>173,100</u>
<i>Less: Accumulated Depreciation</i>				
Furniture, fixtures and equipment	(69,240)	(34,620)	-	(103,860)
<i>Total</i>	<u>(69,240)</u>	<u>(34,620)</u>	<u>-</u>	<u>(103,860)</u>
Capital Assets, Net	<u>\$ 103,860</u>	<u>(34,620)</u>	<u>-</u>	<u>69,240</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 The MASTERS Program
 Notes to the Financial Statements
 June 30, 2015

NOTE 2. CAPITAL ASSETS (CONTINUED)

Depreciation expensed for the year ended June 30, 2015 was expensed to the following functions:

Instruction	\$ 34,620
Total	<u>\$ 34,620</u>

NOTE 3. COMMITMENTS AND LIABILITIES

The MASTERS Program leased equipment and facilities under long-term cancelable operating leases. Rental expenses for the year ended June 30, 2015 was \$111,060. The MASTERS Program's minimum future payments on this lease are as follows:

Year Ending June 30:	
2016	\$ 117,363
2017	117,363
2018	117,363
2019	117,363
2020	117,363
Total	<u>\$ 586,815</u>

NOTE 3. DEFICIT FUND BALANCE

The following fund had a deficit fund balance at June 30, 2015:

Dual Credit Instructional Materials 27103	\$ 2,521
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The MASTERS Program is addressing the negative fund balance and is planning on taking the appropriate actions to eliminate the negative balance.

NOTE 4. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB's Fiduciary Net Position have been determined on the economic resources measurement focus and accrual basis of accounting. For this purpose,

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The MASTERS Program
Notes to the Financial Statements
June 30, 2015

NOTE 4. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Contributions. The contribution requirements of defined benefit plan members and The Masters Program are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year ended June 30, 2014 employers contributed 13.15% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.10% of their gross annual salary. For fiscal year ended June 30, 2015 employers contributed 13.90%, and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 contributed an increased amount of 10.70% of their gross annual salary. Contributions to the pension plan from The Masters Program were \$128,738 for the year ended June 30, 2015.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2013. The total ERB pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2014, using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date June 30, 2014. At June 30, 2015, The Masters Program reported a liability of \$1,819,549 for its proportionate share of the net pension liability. The Masters Program's proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2014. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2014, The Masters Program's proportion was 0.03189% percent, which was an increase of 0.0029087% from its proportion measured as of June 30, 2013.

For the year ended June 30, 2015, The Masters Program recognized pension expense of \$188,371. At the June 30, 2015, The Masters Program reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The MASTERS Program
Notes to the Financial Statements
June 30, 2015

NOTE 4. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	27,101
Changes in assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	165,384
Changes in proportion and differences between The Masters Program contributions and proportionate share of contributions	179,833	-
The Masters Program contributions subsequent to the measurement date	<u>128,738</u>	<u>-</u>
Total	<u>\$ 308,571</u>	<u>192,485</u>

\$128,738 reported as deferred outflows of resources related to pensions resulting from The Masters Program contributions subsequent to the measurement date June 30, 2014 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2016	\$ (11,679)
2017	(11,679)
2018	(5,315)
2019	<u>41,325</u>
Total	<u>\$ 12,652</u>

Sensitivity of The Masters Program's proportionate share of the net pension liability to changes in the discount rate. The following table shows the sensitivity of the net pension liability to changes in the discount rate as of the fiscal year end 2014. In particular, the table

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 The MASTERS Program
 Notes to the Financial Statements
 June 30, 2015

NOTE 4. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

presents the (employer's) net pension liability under the current single rate assumption, as if it were calculated using a discount rate one percentage point lower (6.75%) or one percentage point higher (8.75%) than the single discount rate.

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
The Masters Program's proportionate share of the net pension liability	<u>\$ 2,475,708</u>	<u>1,819,549</u>	<u>1,271,318</u>

Payables to the pension plan. For the year ending June 30, 2015, The Masters Program's accrued liability due to ERB was \$34,458 for payroll which was paid in July 2015.

NOTE 5. RESTATEMENT

As a result of implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, net position at June 30, 2014 was restated in the amount of \$(1,643,830).

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The Masters Program
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2015**

**New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)**

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.03%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 1,820	-	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 879	-	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	207.03%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30, 2014

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The Masters Program
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2015

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 116	-	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	116	-	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ -	-	-	-	-	-	-	-	-	-

Year	Total Amount Deferred	Amortization Years	Increase (Decrease) in Pension Expense over Recognition Periods										
			2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	
2014	\$ 13	5	\$ (12)	(12)	(4)	41	-	-	-	-	-	-	-
2015	-	5	-	-	-	-	-	-	-	-	-	-	-
2016	-	5	-	-	-	-	-	-	-	-	-	-	-
2017	-	5	-	-	-	-	-	-	-	-	-	-	-
2018	-	5	-	-	-	-	-	-	-	-	-	-	-
2019	-	5	-	-	-	-	-	-	-	-	-	-	-
2020	-	5	-	-	-	-	-	-	-	-	-	-	-
2021	-	5	-	-	-	-	-	-	-	-	-	-	-
2022	-	5	-	-	-	-	-	-	-	-	-	-	-
2023	-	5	-	-	-	-	-	-	-	-	-	-	-
	\$ 13		\$ (12)	(12)	(4)	41	-	-	-	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The Masters Program
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Local & County Grant	\$ -	-	485	485
State Grant	1,884,631	1,896,035	1,896,035	-
Total Revenues	<u>1,884,631</u>	<u>1,896,035</u>	<u>1,896,520</u>	<u>485</u>
EXPENDITURES				
Current:				
Instruction	1,168,775	1,241,755	889,007	352,748
Support Services:				
Students	409,928	409,928	370,452	39,476
Instruction	152,109	167,209	122,092	45,117
General Administration	93,296	97,929	37,484	60,445
School Administration	174,612	170,112	150,218	19,894
Central Services	160,462	184,866	168,442	16,424
Operation & Maintenance of Plant	130,900	100,900	69,167	31,733
Total Expenditures	<u>2,290,082</u>	<u>2,372,699</u>	<u>1,806,862</u>	<u>565,837</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(405,451)</u>	<u>(476,664)</u>	<u>89,658</u>	<u>566,322</u>
Net Changes in Fund Balances	<u>(405,451)</u>	<u>(476,664)</u>	<u>89,658</u>	<u>566,322</u>
Cash or Fund Balances - Beginning of Year	<u>503,532</u>	<u>503,532</u>	<u>503,532</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ 98,081</u>	<u>26,868</u>	<u>593,190</u>	<u>566,322</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 89,658	
Adjustments to Expenditures			<u>2,557</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 92,215</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The Masters Program
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	14,159	14,158	(1)
Total Revenues	<u>-</u>	<u>14,159</u>	<u>14,158</u>	<u>(1)</u>
EXPENDITURES				
Current:				
Instruction	-	32,009	6,541	25,468
Total Expenditures	<u>-</u>	<u>32,009</u>	<u>6,541</u>	<u>25,468</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>(17,850)</u>	<u>7,617</u>	<u>25,467</u>
Net Changes in Fund Balances	<u>-</u>	<u>(17,850)</u>	<u>7,617</u>	<u>25,467</u>
Cash or Fund Balances - Beginning of Year	<u>17,851</u>	<u>17,851</u>	<u>17,851</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ 17,851</u>	<u>1</u>	<u>25,468</u>	<u>25,467</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 7,617	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 7,617</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 The Masters Program
 Schedule of Budgetary Comparisons - Budgetary Basis
 IDEA-B Entitlement 24106
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Local & County Grant	\$ -	-	5,165	5,165
Federal Grant	-	66,448	13,419	(53,029)
Total Revenues	<u>-</u>	<u>66,448</u>	<u>18,584</u>	<u>(47,864)</u>
EXPENDITURES				
Current:				
Support Services:				
Students	-	43,448	8,036	35,412
School Administration	-	23,000	5,383	17,617
Total Expenditures	<u>-</u>	<u>66,448</u>	<u>13,419</u>	<u>53,029</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>5,165</u>	<u>5,165</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>5,165</u>	<u>5,165</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>5,165</u>	<u>5,165</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 5,165	
Adjustments to Revenues			<u>(5,165)</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 The Masters Program
 Schedule of Budgetary Comparisons - Budgetary Basis
 Teacher Principal Training 24154
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Local & County Grant	\$ -	-	532	532
Federal Grant	5,294	5,929	5,075	(854)
Total Revenues	<u>5,294</u>	<u>5,929</u>	<u>5,607</u>	<u>(322)</u>
EXPENDITURES				
Current:				
Instruction	4,500	5,135	4,950	185
Support Services:				
School Administration	794	794	125	669
Total expenditures	<u>5,294</u>	<u>5,929</u>	<u>5,075</u>	<u>854</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	532	532
Net changes in Fund Balances	-	-	532	532
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>532</u>	<u>532</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 532	
Adjustments to Revenues			(532)	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 The Masters Program
 Schedule of Budgetary Comparisons - Budgetary Basis
 Dual Credit Instructional Materials/HB2 27103
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Local & County Grant	\$ -	-	16,462	16,462
State Grant	-	16,810	14,288	(2,522)
Total Revenues	<u>-</u>	<u>16,810</u>	<u>30,750</u>	<u>13,940</u>
EXPENDITURES				
Current:				
Instruction	-	16,810	16,809	1
Total Expenditures	<u>-</u>	<u>16,810</u>	<u>16,809</u>	<u>1</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>13,941</u>	<u>13,941</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>13,941</u>	<u>13,941</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>13,941</u>	<u>13,941</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 13,941	
Adjustments to Revenues			<u>(16,462)</u>	
NET CHANGE IN FUND BALANCE			<u>\$ (2,521)</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The Masters Program
Schedule of Budgetary Comparisons - Budgetary Basis
Early College High School 27180
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	29,850	29,850	-
Total Revenues	<u>-</u>	<u>29,850</u>	<u>29,850</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	-	29,850	29,850	-
Total Expenditures	<u>-</u>	<u>29,850</u>	<u>29,850</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 The Masters Program
 Schedule of Budgetary Comparisons - Budgetary Basis
 Public School Capital Outlay 31200
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	95,477	94,147	(1,330)
Total Revenues	<u>-</u>	<u>95,477</u>	<u>94,147</u>	<u>(1,330)</u>
EXPENDITURES				
Current:				
Capital Outlay	-	95,477	95,477	-
Total Expenditures	<u>-</u>	<u>95,477</u>	<u>95,477</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(1,330)</u>	<u>(1,330)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(1,330)</u>	<u>(1,330)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(1,330)</u>	<u>(1,330)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (1,330)	
Adjustments to Revenues			<u>1,330</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The Masters Program
Schedule of Budgetary Comparisons - Budgetary Basis
SB-9 Capital Improvements 31700
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 4,065	8,667	8,667	-
Total Revenues	<u>4,065</u>	<u>8,667</u>	<u>8,667</u>	<u>-</u>
EXPENDITURES				
Capital Outlay	4,065	8,667	8,667	-
Total Expenditures	<u>4,065</u>	<u>8,667</u>	<u>8,667</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
Net Changes in Fund Balances	-	-	-	-
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The Masters Program
Schedule of Collateral Pledged by Depository for Public Funds
June 30, 2015

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2015</u>
Wells Fargo	FN AJ7680	3138E0RA9	12/1/2041	\$ 2,842
Wells Fargo	FN AO8040	3138LY5A1	7/1/2042	75,765
Wells Fargo	FN AQ5345	3138ML5F7	12/1/2042	96,403
Wells Fargo	FN AR9199	3138W7GH1	3/1/2043	51,320
Wells Fargo	FN AT6892	3138WUUS0	9/1/2043	14,380
Wells Fargo	FN AT9528	3138WXSS7	7/1/2043	25,041
Wells Fargo	FN AU4293	3138X3XX5	9/1/2043	42,430
				<u>\$ 308,181</u>

Total Cash per Schedule of Cash Accounts:	\$ 726,486
Less: FDIC coverage:	<u>(250,000)</u>
Uninsured Public Funds:	476,486
Collateral Requirement:	238,243
Pledged Collateral Held by Pledging Financial Institution:	<u>308,181</u>
Balance Over Collateralized:	<u>\$ 69,938</u>
Balance Uninsured and Uncollateralized at June 30, 2015:	<u>\$ 168,305</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 The Masters Program
 Schedule of Cash Accounts
 June 30, 2015

<u>Bank Account Type</u>	<u>Wells Fargo</u>
Checking - Operational Account	\$ 726,486
Total on Deposit	726,486
Reconciling Items	<u>(19,155)</u>
Reconciled Balance June 30, 2015	<u>707,331</u>
Less Agency Funds	<u>(13,999)</u>
Total Cash	<u><u>\$ 693,332</u></u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The Masters Program
Cash Reconciliation
June 30, 2015

	Operational 11000	Instructional Materials 14000	Non-Instruct. Fund 23000	Federal Projects Account 24000
Cash, June 30, 2014	\$ 476,665	17,851	8,615	(5,697)
Add:				
2014-15 revenues	<u>1,896,520</u>	<u>14,158</u>	<u>15,044</u>	<u>24,191</u>
Total Cash Available	2,373,185	32,009	23,659	18,494
Less:				
2014-15 expenditures	(1,807,235)	(6,541)	(9,660)	(18,494)
Receivables/Payables	127,048	-	-	-
Outstanding Loans	<u>(25,134)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash June 30, 2015	<u>667,864</u>	<u>25,468</u>	<u>13,999</u>	<u>-</u>
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	-	-	-	-
Cash Per Books	<u>667,864</u>	<u>25,468</u>	<u>13,999</u>	<u>-</u>
			Less: Activity Funds Per Schedule	
Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	<u>(101,896)</u>	<u>-</u>	<u>(13,999)</u>	<u>-</u>
Fund Balance (Deficit), Modified Accrual Basis	<u>\$ 565,968</u>	<u>25,468</u>	<u>-</u>	<u>-</u>

State Account <u>27000</u>	Public School Capital Outlay <u>31200</u>	SB-9 Capital Improvements <u>31700</u>	<u>Total</u>
(16,462)	(21,282)	-	459,690
<u>60,600</u>	<u>94,147</u>	<u>8,667</u>	<u>2,113,327</u>
44,138	72,865	8,667	2,573,017
(46,660)	(95,477)	(8,667)	(1,992,734)
-	-	-	127,048
<u>2,522</u>	<u>22,612</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>707,331</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>707,331</u>
of Changes in Assets and Liabilities- Agency Fund:			<u>(13,999)</u>
			<u>\$ 693,332</u>
<u>(2,521)</u>	<u>-</u>	<u>-</u>	<u>(118,416)</u>
<u>(2,521)</u>	<u>-</u>	<u>-</u>	<u>588,915</u>
Balance Sheets - Governmental Funds:			<u>\$ 588,915</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
McCurdy Charter School
Statement of Net Position
June 30, 2015

ASSETS

Current Assets:

Cash and Cash Equivalents	\$ 500
Receivables	
Due from Other Governments	465,570
Other Accounts Receivable	12,905
Total Current Assets	<u>478,975</u>

Noncurrent Assets:

Capital Assets	
Vehicles	119,321
Less: Accumulated Depreciation	<u>(8,942)</u>
Total Noncurrent Assets	<u>110,379</u>
Total Assets	<u>589,354</u>

Deferred outflows - pension related	<u>522,933</u>
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LIABILITIES

Current Liabilities:

Accounts Payable	9,547
Accrued Liabilities	246,859
Due to Agency Funds	62,346
Total Current Liabilities	<u>318,752</u>

Noncurrent Liabilities:

Net Pension Liability	<u>4,146,346</u>
Total Noncurrent Liabilities	<u>4,146,346</u>
Total Liabilities	<u>4,465,098</u>

Deferred inflows - pension related	<u>438,709</u>
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NET POSITION

Investment in Capital Assets	110,379
Restricted	223,741
Unrestricted	<u>(4,125,640)</u>
Total Net Position	<u>\$ (3,791,520)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
McCurdy Charter School
Statement of Activities
For The Year Ended June 30, 2015

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 2,202,598	64,052	329,083	-	(1,809,463)
Support Services:					
Students	276,491	-	-	-	(276,491)
Instruction	14,391	-	-	-	(14,391)
General Administration	57,321	-	-	-	(57,321)
School Administration	432,460	-	-	-	(432,460)
Central Services	144,874	-	-	-	(144,874)
Operation & Maintenance of Plant	327,541	-	-	-	(327,541)
Student Transportation	8,462	-	-	-	(8,462)
Food Services	132,646	88,669	108,859	-	64,882
Facilities Materials, Supplies & Other Services	308,899	-	-	392,337	83,438
Total Governmental Activities	\$ 3,905,683	152,721	437,942	392,337	(2,922,683)

General Revenues:

Property Taxes	\$ 212,889
State Equalization Guarantee	3,077,377
Miscellaneous	23,641
Total General Revenues	3,313,907

Change in Net Position

	391,224
Net Position- Beginning	(213,676)
Resatement	(3,969,068)
Net Position- Beginning, restated	(4,182,744)
Net position, Ending	\$ (3,791,520)

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
McCurdy Charter School
Balance Sheets - Governmental Funds
June 30, 2015

	Operational 11000	Instructional Materials 14000	Food Services 21000	Athletics 22000
ASSETS				
Cash and Cash Equivalents	\$ 300	-	-	200
Accounts Receivable				
Due from Governments	-	-	42,051	-
Other Accounts Receivable	-	-	-	8,887
Due from Other Funds	320,056	19,560	-	-
Total Assets	320,356	19,560	42,051	9,087
LIABILITIES AND FUND BALANCES				
<i>Liabilities:</i>				
Accounts Payable	\$ -	-	-	-
Accrued Expenditures	223,342	-	-	-
Due to Other Funds	-	-	62,500	81,325
Total Liabilities	223,342	-	62,500	81,325
Fund Balances (Deficit)				
Fund Balance:				
Restricted for:				
Instruction	\$ -	19,560	-	-
Food Service Operations	-	-	-	-
Capital Improvements	-	-	-	-
Assigned to:				
Unassigned (Deficit)	97,014	-	(20,449)	(72,238)
Total Fund Balance (Deficit)	97,014	19,560	(20,449)	(72,238)
Total Liabilities and Fund Balances (Deficit)	\$ 320,356	19,560	42,051	9,087

The accompanying notes are an integral part of these financial statements

Title I IASA 24101	IDEA-B Entitlement 24106	IDEA-B "Risk Pool" 24120	Charter Schools 24146	English Language Acquisition 24153	Teacher Principal Training 24154
-	-	-	-	-	-
50,805	94,908	114	-	-	9,960
-	-	-	-	-	-
-	-	-	-	-	-
<u>50,805</u>	<u>94,908</u>	<u>114</u>	<u>-</u>	<u>-</u>	<u>9,960</u>
1,559	1,055	-	68	-	-
11,315	5,258	-	-	-	658
<u>36,991</u>	<u>89,650</u>	<u>114</u>	<u>65,319</u>	<u>-</u>	<u>9,301</u>
<u>49,865</u>	<u>95,963</u>	<u>114</u>	<u>65,387</u>	<u>-</u>	<u>9,959</u>
940	-	-	-	-	1
-	-	-	-	-	-
-	-	-	-	-	-
-	(1,055)	-	(65,387)	-	-
<u>940</u>	<u>(1,055)</u>	<u>-</u>	<u>(65,387)</u>	<u>-</u>	<u>1</u>
<u>50,805</u>	<u>94,908</u>	<u>114</u>	<u>-</u>	<u>-</u>	<u>9,960</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
McCurdy Charter School
Balance Sheets - Governmental Funds (Continued)
June 30, 2015

	Title XIX Medicaid 3/21 Years 25153	Dual Credits Instructional Materials 27103	Literacy for Children at Risk PED 27107	NM Reads to Lead K-3 27114
ASSETS				
Cash and Cash Equivalents	\$ -	-	-	-
Accounts Receivable				
Due from Governments	-	-	-	49,906
Other Accounts Receivable	-	-	-	-
Due from Other Funds	6,204	-	-	-
Total Assets	\$ 6,204	-	-	49,906
LIABILITIES AND FUND BALANCES				
<i>Liabilities:</i>				
Accounts Payable	\$ -	-	-	-
Accrued Expenditures	-	-	-	5,834
Due to Other Funds	-	540	863	44,072
Total Liabilities	-	540	863	49,906
<i>Fund Balances (Deficit)</i>				
Fund Balance:				
Restricted for:				
Instruction	6,204	-	-	-
Food Service Operations	-	-	-	-
Capital Improvements	-	-	-	-
Assigned to:				
Unassigned (Deficit)	-	(540)	(863)	-
Total Fund Balance (Deficit)	6,204	(540)	(863)	-
Total Liabilities and Fund Balances (Deficit)	\$ 6,204	-	-	49,906

The accompanying notes are an integral part of these financial statements

STEM Teacher Initiative 27181	NM Grown FW 27183	Private Direct Grants 29102	Public School Capital Outlay 31200	Special Capital Outlay State 31400	SB-9 Capital Improvements 31700	Total
-	-	-	-	-	-	500
18,225	-	-	199,601	-	-	465,570
-	-	4,018	-	-	-	12,905
-	-	1,035	-	-	192,110	538,965
<u>18,225</u>	<u>-</u>	<u>5,053</u>	<u>199,601</u>	<u>-</u>	<u>192,110</u>	<u>1,017,940</u>
-	-	-	6,865	-	-	9,547
325	-	127	-	-	-	246,859
17,900	-	-	192,736	-	-	601,311
<u>18,225</u>	<u>-</u>	<u>127</u>	<u>199,601</u>	<u>-</u>	<u>-</u>	<u>857,717</u>
-	-	4,926	-	-	-	31,631
-	-	-	-	-	-	-
-	-	-	-	-	192,110	192,110
-	-	-	-	-	-	(63,518)
-	-	4,926	-	-	192,110	160,223
<u>18,225</u>	<u>-</u>	<u>5,053</u>	<u>199,601</u>	<u>-</u>	<u>192,110</u>	<u>1,017,940</u>

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STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 McCurdy Charter School
 Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
 June 30, 2015

Fund Balances - Total Governmental Funds **\$ 160,223**

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

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

Capital Assets	119,321	
Accumulated Depreciation	<u>(8,942)</u>	110,379

Defined benefit pension plan deferred outflows are not financial resources and, therefore, and not reported in the funds		522,933
--	--	---------

Long-term liabilities are not due in the current period and, therefore, are not reported in the funds.		
Net Pension Liability	<u>(4,146,346)</u>	(4,146,346)

Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds		<u>(438,709)</u>
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Net Position-Total Governmental Activities **\$ (3,791,520)**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
McCurdy Charter School
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit)
Governmental Funds
For The Year Ended June 30, 2015

	Operational 11000	Instructional Materials 14000	Food Services 21000	Athletics 22000
REVENUES				
Property Taxes	\$ -	-	-	-
State Grant	3,077,377	35,265	-	-
Federal Grant	-	-	108,859	-
Charges for Services	1,979	-	88,669	62,073
Miscellaneous Income	8,305	-	-	11,318
Total Revenues	<u>3,087,661</u>	<u>35,265</u>	<u>197,528</u>	<u>73,391</u>
EXPENDITURES				
Current:				
Instruction	1,865,647	24,781	-	55,380
Support Services:				
Students	265,443	-	-	-
Instruction	14,391	-	-	-
General Administration	57,321	-	-	-
School Administration	417,659	-	-	-
Central Services	141,253	-	-	-
Operation & Maintenance of Plant	322,320	-	-	-
Student Transportation	8,462	-	-	-
Food Services Operations	-	-	132,646	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>3,092,496</u>	<u>24,781</u>	<u>132,646</u>	<u>55,380</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(4,835)</u>	<u>10,484</u>	<u>64,882</u>	<u>18,011</u>
Net Changes in Fund Balances	<u>(4,835)</u>	<u>10,484</u>	<u>64,882</u>	<u>18,011</u>
Fund Balances(Deficit) - Beginning of Year	<u>101,849</u>	<u>9,076</u>	<u>(85,331)</u>	<u>(90,249)</u>
Fund Balances (Deficit) - End of Year	<u>\$ 97,014</u>	<u>19,560</u>	<u>(20,449)</u>	<u>(72,238)</u>

The accompanying notes are an integral part of these financial statements

Title I IASA 24101	IDEA-B Entitlement 24106	IDEA-B "Risk Pool" 24120	Charter Schools 24146	English Language Acquisition 24153	Teacher Principal Training 24154
-	-	-	-	-	-
-	-	-	-	-	-
50,805	103,580	114	55,024	-	9,960
-	-	-	-	-	-
-	-	-	-	-	-
<u>50,805</u>	<u>103,580</u>	<u>114</u>	<u>55,024</u>	<u>-</u>	<u>9,960</u>
50,803	58,244	-	144	-	9,959
-	6,312	114	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>50,803</u>	<u>64,556</u>	<u>114</u>	<u>144</u>	<u>-</u>	<u>9,959</u>
<u>2</u>	<u>39,024</u>	<u>-</u>	<u>54,880</u>	<u>-</u>	<u>1</u>
<u>2</u>	<u>39,024</u>	<u>-</u>	<u>54,880</u>	<u>-</u>	<u>1</u>
<u>938</u>	<u>(40,079)</u>	<u>-</u>	<u>(120,267)</u>	<u>-</u>	<u>-</u>
<u>940</u>	<u>(1,055)</u>	<u>-</u>	<u>(65,387)</u>	<u>-</u>	<u>1</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
McCurdy Charter School
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit) - Continued
Governmental Funds
For The Year Ended June 30, 2015

	Title XIX Medicaid 3/21 Years 25153	Dual Credits Instructional Materials 27103	Literacy for Children at Risk PED 27107	NM Reads to Lead K-3 27114
REVENUES				
Property Taxes	\$ -	-	-	-
State Grant	6,204	-	-	49,906
Federal Grant	-	-	-	-
Charges for Services	-	-	-	-
Miscellaneous Income	-	-	-	-
Total Revenues	<u>6,204</u>	<u>-</u>	<u>-</u>	<u>49,906</u>
EXPENDITURES				
Current:				
Instruction	-	-	-	49,906
Support Services:				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>49,906</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>6,204</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>6,204</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances(Deficit) - Beginning of Year	<u>-</u>	<u>(540)</u>	<u>(863)</u>	<u>-</u>
Fund Balances (Deficit) - End of Year	<u>\$ 6,204</u>	<u>(540)</u>	<u>(863)</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements

STEM Teacher Initiative 27181	NM Grown FW 27183	Private Direct Grants 29102	Public School Capital Outlay 31200	Special Capital Outlay State 31400	SB-9 Capital Improvements 31700	Total
-	-	-	-	-	212,889	212,889
18,225	-	-	392,337	-	-	3,579,314
-	-	-	-	-	-	328,342
-	-	-	-	-	-	152,721
-	-	4,018	-	-	-	23,641
<u>18,225</u>	<u>-</u>	<u>4,018</u>	<u>392,337</u>	<u>-</u>	<u>212,889</u>	<u>4,296,907</u>
18,225	-	4,017	-	-	703	2,137,809
-	-	-	-	-	-	271,869
-	-	-	-	-	-	14,391
-	-	-	-	-	-	57,321
-	-	-	-	-	-	417,659
-	-	-	-	-	-	141,253
-	-	-	-	-	-	322,320
-	-	-	-	-	-	8,462
-	-	-	-	-	-	132,646
-	-	-	399,202	-	20,076	419,278
<u>18,225</u>	<u>-</u>	<u>4,017</u>	<u>399,202</u>	<u>-</u>	<u>20,779</u>	<u>3,923,008</u>
-	-	1	(6,865)	-	192,110	373,899
-	-	1	(6,865)	-	192,110	373,899
-	-	4,925	6,865	-	-	(213,676)
-	-	4,926	-	-	192,110	160,223

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 McCurdy Charter School
 Reconciliation of the Statement of Revenues, Expenditures, and Changes
 in Fund Balances (Deficit) of Governmental Funds to the Statement of Activities
 For the Year Ended June 30, 2015

Net Change in Fund Balances-Total Governmental Funds **\$ 373,899**

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

Change in net pension liability (93,054)

Expenditures to purchase or build capital assets, pay for interest on
 debt, and amortization on long term assets are reported in
 governmental funds as expenditures. However, for governmental
 activities those costs are shown in the Statement of Net Position and
 allocated over their estimated useful lives as annual depreciation
 expenses in the Statement of Activities. This is the amount by which
 capital outlay exceeds depreciation for the period

Capital Outlays	119,321	
Depreciation Expense	(8,942)	
	110,379	110,379

Change in Net Position-Total Governmental Activities **\$ 391,224**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 McCurdy Charter School
 Statement of Fiduciary Assets and Liabilities - Agency Funds
 June 30, 2015

	<u>Funds</u>
ASSETS	
Cash in Bank	\$ 11,799
Due from Governmental Funds	<u>62,346</u>
Total Assets	<u><u>\$ 74,145</u></u>
LIABILITIES	
Deposits Held for Others	<u>\$ 74,145</u>
Total Liabilities	<u><u>\$ 74,145</u></u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
McCurdy Charter School
Schedule of Changes in Assets and Liabilities - Agency Funds
For The Year Ended June 30, 2015

	<u>Balance</u> <u>July 1, 2014</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2015</u>
ASSETS				
Cash in Bank	\$ 91,427	13,287	(92,915)	11,799
Due from Governmental Fund	-	62,346	-	62,346
Total Assets	<u>\$ 91,427</u>	<u>75,633</u>	<u>(92,915)</u>	<u>74,145</u>
LIABILITIES				
Deposits Held for Others	\$ 91,427	75,633	(92,915)	74,145
Total Liabilities	<u>\$ 91,427</u>	<u>75,633</u>	<u>(92,915)</u>	<u>74,145</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 McCurdy Charter School
 Notes to the Financial Statements
 June 30, 2015

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Capital Assets. Capital assets purchased or acquired are 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. McCurdy Charter School’s capitalization policy (i.e., the dollar value above which the asset acquisitions are added to the capital accounts) is \$5,000. McCurdy Charter School (McCurdy) does not capitalize any interest with regard to its capital assets.

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

Vehicles	10 years
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Capital assets for McCurdy are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB’s Fiduciary Net Position have been determined on the economic resources measurement focus and accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 2. RECEIVABLES

Receivables as of June 30, 2015 are as follows:

Due from Other Governments:	
Food Services	\$ 42,051
Title I IASA	50,805
IDEA-B Entitlement	94,908
IDEA-B “Risk Pool”	114
Teacher / Principal Training	9,960
NM Reads to Lead K-3	49,906
STEM Teacher Initiative	18,225
Public School Capital Outlay	<u>199,601</u>
Total Due From Other Governments	<u>\$ 465,570</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
McCurdy Charter School
Notes to the Financial Statements
June 30, 2015

NOTE 2. RECEIVABLES (Continued)

Other Receivables:		
Athletics		\$ 8,887
Private Direct Grants		<u>4,018</u>
Total Other Receivables		<u>\$ 12,905</u>

NOTE 3. CAPITAL ASSETS

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

	<u>Balance</u> <u>June 30, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2015</u>
<i>Capital Assets being Depreciated:</i>				
Vehicles	\$ -	119,321	-	119,321
<i>Total</i>	<u>-</u>	<u>119,321</u>	<u>-</u>	<u>119,321</u>
<i>Less: Accumulated Depreciation</i>				
Vehicles	-	(8,942)	-	(8,942)
<i>Total</i>	<u>-</u>	<u>(8,942)</u>	<u>-</u>	<u>(8,942)</u>
Capital Assets, Net	<u>\$ -</u>	<u>110,379</u>	<u>-</u>	<u>110,379</u>

Depreciation expensed for the year ended June 30, 2015 was expensed to the following functions:

Facilities Materials, Supplies and Other	
Services	\$ 8,942
Total	<u>\$ 8,942</u>

NOTE 4. COMMITMENTS AND LIABILITIES

McCurdy Charter School leases the building in which it conducts school operations. The lease is considered to be an operating lease. Terms of the lease are such that the landlord accepts as payment the annual PSCOC appropriation through the New Mexico Public Education Department. The amount of the current year appropriation which was classified as lease expense for fiscal year 2015 was \$399,202. Future amounts are undetermined at year end and thus cannot be projected on a go-forward basis and are not disclosed.

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 McCurdy Charter School
 Notes to the Financial Statements
 June 30, 2015

NOTE 5. DEFICIT FUND BALANCE

The following fund had a deficit fund balance at June 30, 2015:

21000 Food Services	\$	20,449
22000 Athletics		72,238
24106 IDEA-B Entitlement		1,055
24146 Charter Schools		65,387
27103 Dual Credits Instructional Materials		540
27107 Literacy for Children at Risk PED		<u>863</u>
Total funds with deficit balances	\$	<u>160,532</u>

McCurdy is addressing the negative fund balances and is planning on taking the appropriate actions to eliminate the negative balances.

NOTE 6. OVERSPENT BUDGET LINE ITEMS

As stated in the finding 2014-007, McCurdy Charter School had expended in excess of the budget in the following funds and functional groups:

21000 Food Services		
Food Services Operations	\$	48,264
24106 IDEA-B Entitlement		
Instruction		18,550
24146 Charter Schools		
Instruction		144
31700 SB-9 Capital Improvements		
Instruction		<u>703</u>
Total funds with deficit balances	\$	<u>67,661</u>

NOTE 7. RELATED PARTY TRANSACTIONS

The Business Manager is also the Business Manager of Taos Integrated School of Arts, Taos Academy, La Tierra Montessori School of the Arts and Sciences and Dream Dine' Charter School.

NOTE 8. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to McCurdy Charter School and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions. The contribution requirements of defined benefit plan members and McCurdy Charter School are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year ended June 30, 2014 employers contributed 13.15% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.10% of their gross annual salary. For fiscal year ended June 30, 2015 employers contributed 13.90%, and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 contributed an increased amount of 10.70% of their gross annual salary. Contributions to the pension plan from McCurdy Charter School were \$278,803 for the year ended June 30, 2015.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2013. The total ERB pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2014, using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date June 30, 2014. At June 30, 2015, McCurdy Charter School reported a liability of \$4,146,346 for its proportionate share of the net pension liability. McCurdy Charter School's proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2014. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2014, McCurdy Charter School's proportion was 0.07267% percent, which was an increase of 0.00524% from its proportion measured as of June 30, 2013.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
McCurdy Charter School
Notes to the Financial Statements
June 30, 2015

NOTE 8. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (Continued)

For the year ended June 30, 2015, McCurdy Charter School recognized pension expense of \$371,857. At the June 30, 2015, McCurdy Charter School reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	61,769
Changes in assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	376,940
Changes in proportion and differences between McCurdy Charter School's contributions and proportionate share of contributions	244,130	-
McCurdy Charter School's contributions subsequent to the measurement date	<u>278,803</u>	<u>-</u>
Total	<u>\$ 522,933</u>	<u>438,709</u>

\$278,803 reported as deferred outflows of resources related to pensions resulting from McCurdy Charter School's contributions subsequent to the measurement date June 30, 2014 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2016	\$ 30,910
2017	30,910
2018	38,508
2019	<u>94,251</u>
Total	<u>\$ 194,579</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
McCurdy Charter School
Notes to the Financial Statements
June 30, 2015

NOTE 8. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (Continued)

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

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
McCurdy Charter School’s proportionate share of the net pension liability	<u>\$ 5,641,584</u>	<u>4,146,346</u>	<u>2,897,560</u>

Payables to the pension plan. McCurdy Charter School accrued \$78,383 in ERB benefits at June 30, 2015 for teachers with ten month contracts.

NOTE 9. PRIOR PERIOD ADJUSTMENT

As a result of implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, Net Position at June 30, 2014 was restated in the amount of (\$3,969,068).

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
McCurdy Charter School
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2015

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.07%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 4,146	-	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 2,003	-	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	206.99%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30, 2014

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
McCurdy Charter School
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2015

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 263	-	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	263	-	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ -	-	-	-	-	-	-	-	-	-

Year	Total Amount Deferred	Amortization Years	Increase (Decrease) in Pension Expense over Recognition Periods											
			2015	2016	2017	2018	2019	2020	2021	2022	2023	2024		
2014	\$ 195	5	\$ 31	31	31	39	94	-	-	-	-	-	-	-
2015	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2016	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2017	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2018	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2019	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2020	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2021	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2022	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2023	-	5	-	-	-	-	-	-	-	-	-	-	-	-
	\$ 195		\$ 31	31	31	39	94	-	-	-	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
McCurdy Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 3,145,172	3,077,377	3,077,377	-
Charges for Services	-	1,639	1,979	340
Miscellaneous Income	62,480	2,255	8,305	6,050
Total Revenues	3,207,652	3,081,271	3,087,661	6,390
EXPENDITURES				
Current:				
Instruction	1,891,848	1,931,492	1,865,647	65,845
Support Services:				
Students	181,520	280,355	265,443	14,912
Instruction	5,000	8,414	14,391	(5,977)
General Administration	34,500	65,300	57,321	7,979
School Administration	427,131	427,131	417,659	9,472
Central Services	208,860	144,260	141,253	3,007
Operation & Maintenance of Plant	358,793	358,793	360,130	(1,337)
Student Transportation	-	5,385	8,462	(3,077)
Other Support Services Operations	100,000	-	-	-
Total Expenditures	3,207,652	3,221,130	3,130,306	90,824
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	(139,859)	(42,645)	97,214
Net Changes in Fund Balances	-	(139,859)	(42,645)	97,214
Cash or Fund Balances - Beginning of Year	-	-	139,659	139,659
Cash or Fund Balances - End of Year	\$ -	(139,859)	97,014	236,873
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (42,645)	
Adjustments to Revenues			-	
Adjustments to Expenditures			37,810	
NET CHANGE IN FUND BALANCE			\$ (4,835)	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
McCurdy Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 27,762	37,565	35,265	(2,300)
Total Revenues	<u>27,762</u>	<u>37,565</u>	<u>35,265</u>	<u>(2,300)</u>
EXPENDITURES				
Current:				
Instruction	27,762	37,565	24,781	12,784
Total Expenditures	<u>27,762</u>	<u>37,565</u>	<u>24,781</u>	<u>12,784</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	10,484	10,484
Net Changes in Fund Balances	-	-	10,484	10,484
Cash or Fund Balances - Beginning of Year	-	-	9,076	9,076
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>19,560</u>	<u>19,560</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 10,484	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 10,484</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
McCurdy Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Food Services 21000
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 100,000	100,000	66,808	(33,192)
Charges for Services	68,000	68,000	88,669	20,669
Total Revenues	168,000	168,000	155,477	(12,523)
EXPENDITURES				
Current:				
Food Services Operations	168,000	168,000	216,264	(48,264)
Total Expenditures	168,000	168,000	216,264	(48,264)
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(60,787)	(60,787)
Net Changes in Fund Balances	-	-	(60,787)	(60,787)
Cash or Fund Balances - Beginning of Year	-	-	(1,713)	(1,713)
Cash or Fund Balances - End of Year	\$ -	-	(62,500)	(62,500)
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (60,787)	
Adjustments to Revenues			42,051	
Adjustments to Expenditures			83,618	
NET CHANGE IN FUND BALANCE			\$ 64,882	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
McCurdy Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Athletics 22000
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Charges for Services	\$ 143,574	143,574	62,073	(81,501)
Miscellaneous Income	-	-	2,431	2,431
Total Revenues	143,574	143,574	64,504	(79,070)
EXPENDITURES				
Current:				
Instruction	135,778	144,342	63,303	81,039
Operation & Maintenance of Plant	7,796	7,796	-	7,796
Total Expenditures	143,574	152,138	63,303	88,835
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	-	(8,564)	1,201	9,765
Net Changes in Fund Balances	-	(8,564)	1,201	9,765
Cash or Fund Balances - Beginning of Year	-	-	(82,326)	(82,326)
Cash or Fund Balances - End of Year	\$ -	(8,564)	(81,125)	(72,561)
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ 1,201	
Adjustments to Revenues			8,887	
Adjustments to Expenditures			7,923	
NET CHANGE IN FUND BALANCE			\$ 18,011	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
McCurdy Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Title I IASA 24101
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 95,242	103,781	44,476	(59,305)
Total Revenues	<u>95,242</u>	<u>103,781</u>	<u>44,476</u>	<u>(59,305)</u>
EXPENDITURES				
Current:				
Instruction	95,242	103,781	50,803	52,978
Total Expenditures	<u>95,242</u>	<u>103,781</u>	<u>50,803</u>	<u>52,978</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(6,327)	(6,327)
Net Changes in Fund Balances	-	-	(6,327)	(6,327)
Cash or Fund Balances - Beginning of Year	-	-	(41,979)	(41,979)
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(48,306)</u>	<u>(48,306)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (6,327)	
Adjustments to Revenues			6,329	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 2</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
McCurdy Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Entitlement 24106
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 85,341	94,909	19,973	(74,936)
Total Revenues	<u>85,341</u>	<u>94,909</u>	<u>19,973</u>	<u>(74,936)</u>
EXPENDITURES				
Current:				
Instruction	39,694	39,694	58,244	(18,550)
Support Services:				
Students	45,647	55,215	36,663	18,552
Total Expenditures	<u>85,341</u>	<u>94,909</u>	<u>94,907</u>	<u>2</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(74,934)	(74,934)
Net Changes in Fund Balances	-	-	(74,934)	(74,934)
Cash or Fund Balances - Beginning of Year	-	-	(19,975)	(19,975)
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(94,909)</u>	<u>(94,909)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (74,934)	
Adjustments to Revenues			83,607	
Adjustments to Expenditures			30,351	
NET CHANGE IN FUND BALANCE			<u>\$ 39,024</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
McCurdy Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B "Risk Pool" 24120
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ -	114	846	732
Total Revenues	<u>-</u>	<u>114</u>	<u>846</u>	<u>732</u>
EXPENDITURES				
Current:				
Support Services:				
Students	-	114	114	-
Total Expenditures	<u>-</u>	<u>114</u>	<u>114</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	-	-	732	732
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>732</u>	<u>732</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>(846)</u>	<u>(846)</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(114)</u>	<u>(114)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ 732	
Adjustments to Revenues			(732)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
McCurdy Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Charter Schools 24146
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ -	-	55,024	55,024
Total Revenues	-	-	55,024	55,024
EXPENDITURES				
Current:				
Instruction	-	-	144	(144)
Total Expenditures	-	-	144	(144)
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	54,880	54,880
Net Changes in Fund Balances	-	-	54,880	54,880
Cash or Fund Balances - Beginning of Year	-	-	(120,199)	(120,199)
Cash or Fund Balances - End of Year	\$ -	-	(65,319)	(65,319)
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 54,880	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 54,880	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
McCurdy Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
English Language Acquisition 24153
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ -	11,211	-	(11,211)
Total Revenues	<u>-</u>	<u>11,211</u>	<u>-</u>	<u>(11,211)</u>
EXPENDITURES				
Current:				
Instruction	-	11,211	-	11,211
Total Expenditures	<u>-</u>	<u>11,211</u>	<u>-</u>	<u>11,211</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
McCurdy Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Teacher / Principal Training 24154
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 17,520	43,949	14,770	(29,179)
Total Revenues	<u>17,520</u>	<u>43,949</u>	<u>14,770</u>	<u>(29,179)</u>
EXPENDITURES				
Current:				
Instruction	17,520	34,949	9,959	24,990
Support Services:				
School Administration	-	9,000	-	9,000
Total Expenditures	<u>17,520</u>	<u>43,949</u>	<u>9,959</u>	<u>33,990</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>4,811</u>	<u>4,811</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>4,811</u>	<u>4,811</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>(14,770)</u>	<u>(14,770)</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(9,959)</u>	<u>(9,959)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 4,811	
Adjustments to Revenues			(4,810)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 1</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
McCurdy Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Title XIX Medicaid 3/21 Years 25153
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	1,000	6,204	5,204
Total Revenues	-	1,000	6,204	5,204
EXPENDITURES				
Current:				
Support Services:				
Students	-	1,000	-	1,000
Total Expenditures	-	1,000	-	1,000
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	-	-	6,204	6,204
Net Changes in Fund Balances	-	-	6,204	6,204
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	6,204	6,204
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ 6,204	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 6,204	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
McCurdy Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Literacy for Children at Risk PED 27107
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 2,850	2,850	-	(2,850)
Total Revenues	<u>2,850</u>	<u>2,850</u>	<u>-</u>	<u>(2,850)</u>
EXPENDITURES				
Current:				
Support Services:				
Instruction	2,850	2,850	-	2,850
Total Expenditures	<u>2,850</u>	<u>2,850</u>	<u>-</u>	<u>2,850</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>(863)</u>	<u>(863)</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(863)</u>	<u>(863)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
McCurdy Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
NM Reads to Lead K-3 27114
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	50,000	-	(50,000)
Total Revenues	<u>-</u>	<u>50,000</u>	<u>-</u>	<u>(50,000)</u>
EXPENDITURES				
Current:				
Instruction	-	50,000	49,906	94
Total Expenditures	<u>-</u>	<u>50,000</u>	<u>49,906</u>	<u>94</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	-	-	(49,906)	(49,906)
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(49,906)</u>	<u>(49,906)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(49,906)</u>	<u>(49,906)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ (49,906)	
Adjustments to Revenues			49,906	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
McCurdy Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
STEM Teacher Initiative 27181
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	18,225	-	(18,225)
Total Revenues	-	18,225	-	(18,225)
EXPENDITURES				
Current:				
Instruction	-	18,225	18,225	-
Total Expenditures	-	18,225	18,225	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(18,225)	(18,225)
Net Changes in Fund Balances	-	-	(18,225)	(18,225)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	(18,225)	(18,225)
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (18,225)	
Adjustments to Revenues			18,225	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
McCurdy Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
NM Grown FW 27183
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	-	300	300
Total Revenues	-	-	300	300
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	300	300
Net Changes in Fund Balances	-	-	300	300
Cash or Fund Balances - Beginning of Year	-	-	(300)	(300)
Cash or Fund Balances - End of Year	\$ -	-	-	-
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 300	
Adjustments to Revenues			(300)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
McCurdy Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Private Direct Grants 29102
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Miscellaneous Income	\$ -	22,933	-	(22,933)
Total Revenues	<u>-</u>	<u>22,933</u>	<u>-</u>	<u>(22,933)</u>
EXPENDITURES				
Current:				
Instruction	-	22,933	4,017	18,916
Total Expenditures	<u>-</u>	<u>22,933</u>	<u>4,017</u>	<u>18,916</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	-	-	(4,017)	(4,017)
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(4,017)</u>	<u>(4,017)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>4,925</u>	<u>4,925</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>908</u>	<u>908</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ (4,017)	
Adjustments to Revenues			4,018	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 1</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
McCurdy Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Public School Capital Outlay 31200
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	399,203	199,601	(199,602)
Total Revenues	<u>-</u>	<u>399,203</u>	<u>199,601</u>	<u>(199,602)</u>
EXPENDITURES				
Capital Outlay	-	399,203	399,202	1
Total Expenditures	<u>-</u>	<u>399,203</u>	<u>399,202</u>	<u>1</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(199,601)	(199,601)
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(199,601)</u>	<u>(199,601)</u>
Cash or Fund Balances - Beginning of Year	-	-	6,865	6,865
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(192,736)</u>	<u>(192,736)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (199,601)	
Adjustments to Revenues			192,736	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (6,865)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
McCurdy Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Special Capital Outlay State 31400
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	-	100,000	100,000
Total Revenues	-	-	100,000	100,000
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	100,000	100,000
Net Changes in Fund Balances	-	-	100,000	100,000
Cash or Fund Balances - Beginning of Year	-	-	(100,000)	(100,000)
Cash or Fund Balances - End of Year	\$ -	-	-	-
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 100,000	
Adjustments to Revenues			(100,000)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
McCurdy Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
SB-9 Capital Improvements 31700
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Property Taxes	\$ 133,736	314,318	212,889	(101,429)
State Grant	-	29,923	19,584	(10,339)
Total Revenues	<u>133,736</u>	<u>344,241</u>	<u>232,473</u>	<u>(111,768)</u>
EXPENDITURES				
Current:				
Instruction	-	-	703	(703)
Support Services:				
General Administration	1,225	1,225	-	1,225
Capital Outlay	254,925	465,430	20,076	445,354
Total Expenditures	<u>256,150</u>	<u>466,655</u>	<u>20,779</u>	<u>445,876</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(122,414)</u>	<u>(122,414)</u>	<u>211,694</u>	<u>334,108</u>
Net Changes in Fund Balances	<u>(122,414)</u>	<u>(122,414)</u>	<u>211,694</u>	<u>334,108</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>(19,584)</u>	<u>(19,584)</u>
Cash or Fund Balances - End of Year	<u>\$ (122,414)</u>	<u>(122,414)</u>	<u>192,110</u>	<u>314,524</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 211,694	
Adjustments to Revenues			(19,584)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 192,110</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 McCurdy Charter School
 Schedule of Collateral Pledged by Depository for Public Funds
 June 30, 2015

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2015</u>
N/A	N/A	N/A	N/A	\$ -
				<u>\$ -</u>

Total Cash per Schedule of Cash Accounts:	\$	218,220
Less: FDIC coverage:		<u>(218,220)</u>
Uninsured Public Funds:		-
Collateral Requirement:		-
Pledged Collateral Held by Pledging Financial Institution:		<u>-</u>
Balance Over Collateralized:	\$	<u>-</u>
Balance Uninsured and Uncollateralized at June 30, 2015:	\$	<u>-</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 McCurdy Charter School
 Schedule of Cash Accounts
 June 30, 2015

<u>Bank Account Type</u>	<u>Century Bank</u>
Checking - Operational Account	\$ 218,220
<i>Total on Deposit</i>	218,220
Reconciling Items	<u>(206,421)</u>
Reconciled Balance June 30, 2015	<u>11,799</u>
Plus Petty Cash	500
Less Agency Funds	<u>(11,799)</u>
<i>Total Cash</i>	<u><u>\$ 500</u></u>

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
McCurdy Charter School
Cash Reconciliation
June 30, 2015

	Operational 11000	Instructional Materials 14000	Food Services 21000
Cash, June 30, 2014	\$ 139,659	9,076	(1,713)
Add:			
2014-15 revenues	<u>3,087,661</u>	<u>37,565</u>	<u>155,477</u>
Total cash available	3,227,320	46,641	153,764
Less:			
2014-15 expenditures	(3,130,306)	(27,081)	(216,264)
Receivables/Payables	223,342	-	-
Prepaid Expenses	<u>-</u>	<u>-</u>	<u>-</u>
Cash June 30, 2015	<u>320,356</u>	<u>19,560</u>	<u>(62,500)</u>
Fund Balance Reconciliations to GAAP Basis:			
Audit reclassifications to cash	<u>(320,056)</u>	<u>(19,560)</u>	<u>62,500</u>
Cash per Books	<u>300</u>	<u>-</u>	<u>-</u>
Fund Balance (Deficit) Reconciliation to GAAP Basis:			
Modified Accrual Adjustments	<u>(223,342)</u>	<u>-</u>	<u>42,051</u>
Fund Balance (Deficit), Modified Accrual Basis	<u><u>\$ 97,014</u></u>	<u><u>19,560</u></u>	<u><u>(20,449)</u></u>

The accompanying notes are an integral part of these financial statements

Athletics 22000	Federal Flowthrough 24000	State Direct 25000	State Flowthrough 27000	Local or State Fund 29000	Public School Capital Outlay 31200
(82,326)	(197,768)	-	(1,703)	4,925	6,865
64,504	135,089	6,204	300	-	199,601
(17,822)	(62,679)	6,204	(1,403)	4,925	206,466
(63,303)	(155,927)	-	(68,131)	(4,017)	(399,202)
-	17,231	-	6,159	127	-
-	-	-	-	-	-
(81,125)	(201,375)	6,204	(63,375)	1,035	(192,736)
81,325	201,375	(6,204)	63,375	(1,035)	192,736
200	-	-	-	-	-
8,887	135,874	-	61,972	3,891	192,736
(72,238)	(65,501)	6,204	(1,403)	4,926	-

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STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
McCurdy Charter School
Cash Reconciliation (Continued)
June 30, 2015

	Special Capital Outlay State 31400	Capital Improvements SB-9 31700	Total
Cash, June 30, 2014	\$ (100,000)	(19,584)	(242,569)
Add:			
2014-15 revenues	100,000	232,473	4,018,874
Total cash available	-	212,889	3,776,305
Less:			
2014-15 expenditures	-	(20,779)	(4,085,010)
Receivables/Payables	-	-	246,859
Prepaid Expenses	-	-	-
Cash June 30, 2015	-	192,110	(61,846)
Fund Balance Reconciliations to GAAP Basis:			
Audit reclassifications to cash	-	(192,110)	62,346
Cash per Books	-	-	500
Fund Balance (Deficit) Reconciliation to GAAP Basis:			
Modified Accrual Adjustments	-	-	222,069
Fund Balance (Deficit), Modified Accrual Basis	\$ -	192,110	160,223

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Media Arts Collaborative Charter School
Statement of Net Position
June 30, 2015

ASSETS AND DEFERRED OUTFLOWS

Current Assets

Cash and Cash Equivalents	\$ 457,384
Receivables	
Due from Other Governments	76,221
Prepaid Expenditures	21,188
Total Current Assets	<u>554,793</u>

Noncurrent Assets

Capital Assets	
Land	410,000
Building and Improvements	1,581,533
Furniture, Fixtures, and Equipment	78,654
Less: Accumulated Depreciation	(329,292)
Total Noncurrent Assets	<u>1,740,895</u>

Total Assets

2,295,688

Deferred Outflows - Pension Related

200,849

LIABILITIES AND DEFERRED INFLOWS

Current Liabilities

Accounts Payable	10,502
Accrued Liabilities	129,702
Current Portion of Long-Term Debt	72,568
Total Current Liabilities	<u>212,772</u>

Noncurrent Liabilities

Long-Term Debt	655,161
Net Pension Liability	2,044,925
Total Noncurrent Liabilities	<u>2,700,086</u>

Total Liabilities

2,912,858

Deferred Inflows - Pension Related

216,328

NET POSITION

Net Investment in Capital Assets	1,013,166
Restricted	62,168
Unrestricted (Deficit)	(1,707,983)
Total Net Position	<u>\$ (632,649)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Media Arts Collaborative Charter School
Statement of Activities
For The Year Ended June 30, 2015

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 1,364,896	14,713	282,322	-	(1,067,861)
Support Services:					
Students	301,663	-	-	-	(301,663)
General Administration	32,910	-	-	-	(32,910)
School Administration	308,775	-	-	-	(308,775)
Central Services	103,195	-	-	-	(103,195)
Operation & Maintenance of Plant	303,528	-	-	-	(303,528)
Community Services Operations	8,232	-	-	-	(8,232)
Other Support Services	39,362	-	-	-	(39,362)
Food Services	58,084	8,616	44,890	-	(4,578)
Facilities Materials, Supplies & Other Services	136,082	-	-	430,011	293,929
Total Governmental Activities	\$ 2,656,727	23,329	327,212	430,011	(1,876,175)

General Revenues:

Property Taxes	\$ 56,397
State Equalization Guarantee	2,227,076
Total General Revenues	2,283,473

Change in Net Position 407,298

Net Position-Beginning of Year	1,059,075
Restatement	(2,099,022)
Net Position, as Restated	(1,039,947)
Net Position-Ending	\$ (632,649)

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Media Arts Collaborative Charter School
Balance Sheets - Governmental Funds
June 30, 2015

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101	IDEA-B Entitlement 24106
ASSETS					
Cash and Cash Equivalents	\$ 417,270	6,740	7,178	-	-
Accounts Receivable					
Due from Government	19,055	-	-	10,471	5,879
Due from Other Funds	56,300	-	-	-	-
Prepaid Expenditures	21,188	-	-	-	-
Total Assets	\$ 513,813	6,740	7,178	10,471	5,879
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts Payable	\$ 10,502	-	-	-	-
Accrued Expenses	129,702	-	-	-	-
Due to Other Funds	-	-	-	10,471	5,879
Total Liabilities	140,204	-	-	10,471	5,879
Fund Balances					
Fund Balance:					
Nonspendable:					
Prepaid Expenditures	21,188	-	-	-	-
Restricted for:					
Instruction	-	6,740	-	-	-
Food Service Operations	-	-	7,178	-	-
Capital Improvements	-	-	-	-	-
Unassigned:	352,421	-	-	-	-
Total Fund Balance	373,609	6,740	7,178	-	-
Total Liabilities and Fund Balance	\$ 513,813	6,740	7,178	10,471	5,879

The accompanying notes are an integral part of these financial statements

IDEA-B Risk Pool 24120	Teacher Principal Training 24154	PNM Foundation 26123	Qwest Foundation for Education 26175	United Way Grant 26218	Dual Credit Instructional Materials 27103	Charter School Planning 27112
-	-	6,768	312	-	-	50
46	3,223	-	-	-	214	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
46	3,223	6,768	312	-	214	50
-	-	-	-	-	-	-
-	-	-	-	-	-	-
46	3,223	-	-	-	214	-
46	3,223	-	-	-	214	-
-	-	-	-	-	-	-
-	-	6,768	312	-	-	50
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	6,768	312	-	-	50
46	3,223	6,768	312	-	214	50

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Media Arts Collaborative Charter School
Balance Sheets - Governmental Funds (Continued)
June 30, 2015

	Beginning Teacher Mentoring 27154	Workforce Readiness 27179	Private Dir Grants (Categorical) 29102	Public School Capital Outlay 31200
ASSETS				
Cash and Cash Equivalents	\$ 792	-	-	-
Accounts Receivable				
Due from Government	-	28,501	-	-
Due from Other Funds	-	-	-	-
Prepaid Expenditures	-	-	-	-
Total Assets	\$ 792	28,501	-	-
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ -	-	-	-
Accrued Expenses	-	-	-	-
Due to Other Funds	-	28,501	-	-
Total Liabilities	-	28,501	-	-
Fund Balances				
Fund Balance:				
Nonspendable:				
Prepaid Expenditures	-	-	-	-
Restricted for:				
Instruction	792	-	-	-
Food Service Operations	-	-	-	-
Capital Improvements	-	-	-	-
Unassigned:	-	-	-	-
Total Fund Balance	792	-	-	-
Total Liabilities and Fund Balance	\$ 792	28,501	-	-

The accompanying notes are an integral part of these financial statements

Special Capital Outlay - State 31400	SB-9 Capital Improvements 31700	Total
-	18,274	457,384
7,966	866	76,221
-	-	56,300
-	-	21,188
<u>7,966</u>	<u>19,140</u>	<u>611,093</u>

-	-	10,502
-	-	129,702
7,966	-	56,300
<u>7,966</u>	<u>-</u>	<u>196,504</u>

-	-	21,188
-	-	14,662
-	-	7,178
-	19,140	19,140
-	-	352,421
<u>-</u>	<u>19,140</u>	<u>414,589</u>
<u>7,966</u>	<u>19,140</u>	<u>611,093</u>

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STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Media Arts Collaborative Charter School
Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
June 30, 2015

Fund balances - total governmental funds **\$ 414,589**

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

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

Capital Assets	2,070,187	
Accumulated Depreciation	(329,292)	
		1,740,895

Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds.

200,849

Long-term liabilities are not due in the current period and, therefore, are not reported in the funds.

Capital Lease	(727,729)	
Net Pension Liability	(2,044,925)	
		(2,772,654)

Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds.

(216,328)

Net position-total governmental activities **\$ (632,649)**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Media Arts Collaborative Charter School
Statement of Revenues, Expenditures, And Changes In Fund Balances
Governmental Funds
For The Year Ended June 30, 2015

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101	IDEA-B Entitlement 24106
REVENUES					
Property Taxes	\$ -	-	-	-	-
Local & County Grant	67,956	-	-	-	-
State Grant	2,227,076	16,363	-	-	-
Federal Grant	-	-	44,890	39,517	35,215
Charges for Services	14,713	-	8,616	-	-
Total Revenues	2,309,745	16,363	53,506	39,517	35,215
Expenditures:					
Current:					
Instruction	1,226,740	21,076	-	-	33,474
Support Services:					
Students	261,917	-	-	39,517	1,741
General Administration	32,910	-	-	-	-
School Administration	314,531	-	-	-	-
Central Services	105,203	-	-	-	-
Operation & Maintenance of Plant	261,803	-	-	-	-
Other Support Services Operations	39,362	-	-	-	-
Food Services Operations	16	-	58,239	-	-
Community Services Operations	-	-	-	-	-
Capital Outlay	-	-	-	-	-
Total Expenditures	2,242,482	21,076	58,239	39,517	35,215
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>67,263</u>	<u>(4,713)</u>	<u>(4,733)</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	67,263	(4,713)	(4,733)	-	-
Fund Balances - Beginning of Year	<u>306,346</u>	<u>11,453</u>	<u>11,911</u>	<u>-</u>	<u>-</u>
Fund Balances - End of Year	<u><u>\$ 373,609</u></u>	<u><u>6,740</u></u>	<u><u>7,178</u></u>	<u><u>-</u></u>	<u><u>-</u></u>

The accompanying notes are an integral part of these financial statements

IDEA-B Risk Pool 24120	Teacher Principal Training 24154	PNM Foundation 26123	Qwest Foundation for Education 26175	United Way Grant 26218	Dual Credit Instructional Materials 27103	Charter School Planning 27112
-	-	-	-	-	-	-
-	-	15,000	4,982	5,497	-	-
-	-	-	-	-	1,426	-
46	9,560	-	-	-	-	-
-	-	-	-	-	-	-
46	9,560	15,000	4,982	5,497	1,426	-
-	9,560	-	4,670	5,497	1,426	-
46	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	8,232	-	-	-	-
-	-	-	-	-	-	-
46	9,560	8,232	4,670	5,497	1,426	-
-	-	6,768	312	-	-	-
-	-	6,768	312	-	-	-
-	-	-	-	-	-	50
-	-	6,768	312	-	-	50

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Media Arts Collaborative Charter School
Statement of Revenues, Expenditures, And Changes In Fund Balances - Continued
Governmental Funds
For The Year Ended June 30, 2015

	Beginning Teacher Mentoring 27154	Workforce Readiness 27179	Private Dir Grants (Categorical) 29102	Public School Capital Outlay 31200
REVENUES				
Property Taxes	\$ -	-	-	-
Local & County Grant	-	-	1,500	-
State Grant	-	85,260	-	139,111
Federal Grant	-	-	-	-
Charges for Services	-	-	-	-
Total Revenues	-	85,260	1,500	139,111
Expenditures:				
Current:				
Instruction	-	85,260	1,500	-
Support Services:				
Students	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Other Support Services Operations	-	-	-	-
Food Services Operations	-	-	-	-
Community Services Operations	-	-	-	-
Capital Outlay	-	-	-	139,111
Total Expenditures	-	85,260	1,500	139,111
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
Net Changes in Fund Balances	-	-	-	-
Fund Balances - Beginning of Year	792	-	-	-
Fund Balances - End of Year	\$ 792	-	-	-

The accompanying notes are an integral part of these financial statements

Special Capital Outlay - State 31400	SB-9 Capital Improvements 31700	Total
-	56,397	56,397
-	-	94,935
290,900	-	2,760,136
-	-	129,228
-	-	23,329
<u>290,900</u>	<u>56,397</u>	<u>3,064,025</u>
-	-	1,389,203
-	-	303,221
-	-	32,910
-	-	314,531
-	-	105,203
-	-	261,803
-	-	39,362
-	-	58,255
-	-	8,232
<u>290,900</u>	<u>78,995</u>	<u>509,006</u>
<u>290,900</u>	<u>78,995</u>	<u>3,021,726</u>
<u>-</u>	<u>(22,598)</u>	<u>42,299</u>
<u>-</u>	<u>(22,598)</u>	<u>42,299</u>
<u>-</u>	<u>41,738</u>	<u>372,290</u>
<u>-</u>	<u>19,140</u>	<u>414,589</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Media Arts Collaborative Charter School
 Reconciliation of the Statement of Revenues, Expenditures, and Changes
 in Fund Balances of Governmental Funds to the Statement of Activities
 June 30, 2015

Net change in fund balances-total governmental funds \$ 42,299

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

Capital Outlays to purchase or build capital assets are reported in
 governmental funds as expenditures. However, for governmental activities
 those costs are shown in the statement of net position and allocated over
 their estimated useful lives as annual depreciation expenses in the
 statement of activities. This is the amount by which capital outlay exceeds
 depreciation for the period

Capital Outlays	12,012	
Depreciation Expense	(60,176)	
	(48,164)	(48,164)

The issuance of long-term debt (e.g., bonds, notes, leases) provide current
 financial resources to governmental funds, while the repayment of the
 principal of long-term debt consumes the current financial resources of
 governmental funds. Neither transaction, however, has any effect on net
 position.

Payment of Capital Lease	374,545	
Changes in Net Pension Liability	38,618	
	413,163	413,163

Change in net position-total governmental activities \$ 407,298

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Media Arts Collaborative Charter School
Statement of Fiduciary Assets and Liabilities-Agency Funds
June 30, 2015

	<u>Agency</u>
ASSETS	
Cash in Bank	\$ 5,516
Total Assets	<u>\$ 5,516</u>
LIABILITIES	
Deposits Held for Others	\$ 5,516
Total Liabilities	<u>\$ 5,516</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Media Arts Collaborative Charter School
Schedule of Changes in Assets and Liabilities - Agency Funds
For The Year Ended June 30, 2015

	<u>Balance July 1, 2014</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2015</u>
ASSETS				
Cash in Bank	\$ 5,225	5,386	5,095	5,516
Total assets	<u>\$ 5,225</u>	<u>5,386</u>	<u>5,095</u>	<u>5,516</u>
LIABILITIES				
Deposits Held for Others	\$ 5,225	5,386	5,095	5,516
Total liabilities	<u>\$ 5,225</u>	<u>5,386</u>	<u>5,095</u>	<u>5,516</u>

The accompanying notes are an integral part of these financial statements

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Capital Assets. Capital assets purchased or acquired are 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 Media Arts Collaborative Charter School's capitalization policy (i.e., the dollar value above that the asset acquisitions are added to the capital accounts) is \$5,000. The Media Arts Collaborative Charter School does not capitalize any interest with regard to its capital assets.

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

Furniture, fixtures and equipment	5 years
Buildings and Improvements	40 years

Capital assets for the Media Arts Collaborative Charter School are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB's Fiduciary Net Position have been determined on the economic resources measurement focus and accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Media Arts Collaborative Charter School
Notes to the Financial Statements
June 30, 2015

NOTE 2. CAPITAL ASSETS

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

	Balance			Balance
	June 30, 2014	Additions	Deletions	June 30, 2015
<i>Capital Assets not being Depreciated:</i>				
Land	\$ 410,000	-	-	410,000
Total	410,000	-	-	410,000
<i>Capital Assets being Depreciated:</i>				
Furniture, Fixtures and Equipment	\$ 66,642	12,012	-	78,654
Buildings and Improvements	1,581,533	-	-	1,581,533
Total	1,648,175	12,012	-	1,660,187
<i>Less: Accumulated Depreciation</i>				
Furniture, Fixtures and Equipment	\$ (39,099)	(10,496)	-	(49,595)
Buildings and Improvements	(230,017)	(49,680)	-	(279,697)
Total	(269,116)	(60,176)	-	(329,292)
Capital Assets, Net	\$ 1,789,059	(48,164)	-	1,740,895

Depreciation expensed for the year ended June 30, 2015 was expensed to the following functions:

Instruction	\$ 1,553
Instructional Support	2,077
Operations/Plant Maintenance	42,913
Facilities Materials, Supplies And Other Services	13,633
Total	\$ 60,176

NOTE 3. COMMITMENTS AND LIABILITIES

The Media Arts Collaborative School leased equipment and facilities under short-term cancelable operating leases. Rental expense for the year ended June 30, 2015, was \$226,890. The school's minimum future payments on this lease are as follows:

Year Ending June 30:	
2016	\$ 57,707
2017	57,707
2018	54,384
2019	53,720
2020	53,720
Total lease payments	\$ 277,238

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Media Arts Collaborative Charter School
Notes to the Financial Statements
June 30, 2015

NOTE 3. COMMITMENTS AND LIABILITIES (CONTINUED)

The following is an analysis of the leased property under capital leases by major classes included in the summary of capital assets.

<u>Classes of Property</u>	<u>Asset Balance</u>
Building	\$ 1,458,773
Less: Accumulated Depreciation	(212,524)
	<u>\$ 1,246,249</u>

The following is a schedule by years of future minimum lease payments under capital leases together with the present value of the net minimum lease payments as of June 30, 2015.

Year Ending June 30:	Principal	Interest	Total
2016	\$ 72,568	31,746	104,314
2017	75,955	28,359	104,314
2018	79,499	24,815	104,314
2019	83,209	21,105	104,314
2020	87,092	17,222	104,314
2021 - 2025	329,406	27,001	356,407
Total	<u>\$ 727,729</u>	<u>150,248</u>	<u>877,977</u>

NOTE 4. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to the Media Arts Collaborative Charter School and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions. The contribution requirements of defined benefit plan members and Media Arts Collaborative Charter School are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year,

NOTE 4. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

ended June 30, 2014 employers contributed 13.15% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.10% of their gross annual salary. For fiscal year, ended June 30, 2015 employers contributed 13.90%, and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 contributed an increased amount of 10.70% of their gross annual salary. Contributions to the pension plan from Media Arts Collaborative Charter School were \$185,482 for the year ended June 30, 2015.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2013. The total ERB pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2014, using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date June 30, 2014. At June 30, 2015, Media Arts Collaborative Charter School reported a liability of \$2,044,925 for its proportionate share of the net pension liability. Media Arts Collaborative Charter School's proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2014. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2014, Media Arts Collaborative Charter School's proportion was 0.03585% percent, which was an increase of 0.00033% from its proportion measured as of June 30, 2013.

For the year ended June 30, 2015, Media Arts Collaborative Charter School recognized pension expense of \$146,864. At the June 30, 2015, Media Arts Collaborative Charter School reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Media Arts Collaborative Charter School
Notes to the Financial Statements
June 30, 2015

NOTE 4. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actuarial experience	\$ -	\$ 30,458
Changes in assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	185,870
Changes in proportion and differences between Media Arts Collaborative Charter School contributions and proportionate share of contributions	15,367	-
Media Arts Collaborative Charter School contributions subsequent to the measurement date	185,482	-
Total	<u>\$ 200,849</u>	<u>\$ 216,328</u>

\$185,482 reported as deferred outflows of resources related to pensions resulting from Media Arts Collaborative Charter School contributions subsequent to the measurement date June 30, 2014 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2016	\$ 51,715
2017	51,715
2018	51,086
2019	46,445
Total	<u>\$ 200,961</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Media Arts Collaborative Charter School
Notes to the Financial Statements
June 30, 2015

NOTE 4. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

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

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
Media Arts Collaborative Charter School's proportionate share of the net pension liability	<u>\$ 2,782,358</u>	<u>2,044,925</u>	<u>1,428,788</u>

Payables to the pension plan. For the year ending June 30, 2015, Media Arts Collaborative Charter School's accrued liability due to ERC was \$30,530 for payroll paid in July 2015.

NOTE 5. PRIOR PERIOD ADJUSTMENT

As a result of implementation of GASB Statement No. 68, Accounting and Financial Reporting for Pensions, net position at June 30, 2014 was restated in the amount of \$2,099,022.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
MEDIA ARTS COLLABORATIVE CHARTER SCHOOL
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2015

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
School's Proportion of the Net Pension Liability (Asset)	0.04%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 2,045	-	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 988	-	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	206.98%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30, 2014

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
MEDIA ARTS COLLABORATIVE CHARTER SCHOOL
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2015

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 130	-	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	130	-	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ -	-	-	-	-	-	-	-	-	-

Increase (Decrease) in Pension Expense over Recognition Periods

Year	Total Amount Deferred	Amortization Years	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
2014	\$ 201	5	\$ 52	52	52	51	46	-	-	-	-	-
2015	-	5	-	-	-	-	-	-	-	-	-	-
2016	-	5	-	-	-	-	-	-	-	-	-	-
2017	-	5	-	-	-	-	-	-	-	-	-	-
2018	-	5	-	-	-	-	-	-	-	-	-	-
2019	-	5	-	-	-	-	-	-	-	-	-	-
2020	-	5	-	-	-	-	-	-	-	-	-	-
2021	-	5	-	-	-	-	-	-	-	-	-	-
2022	-	5	-	-	-	-	-	-	-	-	-	-
2023	-	5	-	-	-	-	-	-	-	-	-	-
	\$ 201		\$ 52	52	52	51	46	-	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Media Arts Collaborative Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
REVENUES				
Local & County Grant	\$ -	48,901	48,901	-
State Grant	1,975,325	2,227,076	2,227,076	-
Charges for Services	-	14,714	14,713	(1)
Total Revenues	1,975,325	2,290,691	2,290,690	(1)
EXPENDITURES				
Current:				
Instruction	1,198,260	1,315,446	1,227,394	88,052
Support Services:				
Students	267,563	283,295	263,766	19,529
General Administration	37,800	43,475	30,401	13,074
School Administration	300,961	352,668	319,653	33,015
Central Services	100,841	109,398	105,717	3,681
Operation & Maintenance of Plant	267,009	442,298	258,464	183,834
Other Support Services Operations	-	39,363	39,362	1
Food Services Operations	500	550	16	534
Total Expenditures	2,172,934	2,586,493	2,244,773	341,720
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	(197,609)	(295,802)	45,917	341,719
Other Financing Sources (Uses):				
Designated Cash	197,609	295,802	-	(295,802)
Total other Financing Sources (Uses):	197,609	295,802	-	(295,802)
Net Changes in Fund Balances	-	-	45,917	45,917
Cash or Fund Balances - Beginning of Year	-	-	306,346	306,346
Cash or Fund Balances - End of Year	\$ -	-	352,263	352,263
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ 45,917	
Adjustments to Revenues			19,055	
Adjustments to Expenditures			2,291	
NET CHANGE IN FUND BALANCE			\$ 67,263	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Media Arts Collaborative Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
REVENUES				
State Grant	\$ -	16,363	16,363	-
Total Revenues	<u>-</u>	<u>16,363</u>	<u>16,363</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	9,943	27,816	21,076	6,740
Total Expenditures	<u>9,943</u>	<u>27,816</u>	<u>21,076</u>	<u>6,740</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(9,943)</u>	<u>(11,453)</u>	<u>(4,713)</u>	<u>6,740</u>
Other Financing Sources (Uses):				
Designated Cash	9,943	11,453	-	(11,453)
Total other Financing Sources (Uses):	<u>9,943</u>	<u>11,453</u>	<u>-</u>	<u>(11,453)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(4,713)</u>	<u>(4,713)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>11,453</u>	<u>11,453</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>6,740</u>	<u>6,740</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (4,713)	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (4,713)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Media Arts Collaborative Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Food Services 21000
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	Original Budget	Final Budget	Actual Amount	
REVENUES				
Federal Grant	\$ 37,000	44,890	44,890	-
Charges for Services	4,000	8,617	8,616	(1)
Total Revenues	41,000	53,507	53,506	(1)
EXPENDITURES				
Current:				
Food Services Operations	49,085	65,417	58,239	7,178
Total Expenditures	49,085	65,417	58,239	7,178
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	(8,085)	(11,910)	(4,733)	7,177
Other Financing Sources (Uses):				
Designated Cash	8,085	11,910	-	(11,910)
Total Other Financing Sources (Uses):	8,085	11,910	-	(11,910)
Net Changes in Fund Balances	-	-	(4,733)	(4,733)
Cash or Fund Balances - Beginning of Year	-	-	11,911	11,911
Cash or Fund Balances - End of Year	\$ -	-	7,178	7,178
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (4,733)	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ (4,733)	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Media Arts Collaborative Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Title I - IASA 24101
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
REVENUES				
Federal Grant	\$ 39,517	39,517	29,046	(10,471)
Total Revenues	<u>39,517</u>	<u>39,517</u>	<u>29,046</u>	<u>(10,471)</u>
EXPENDITURES				
Current:				
Support Services:				
Students	39,517	39,517	39,517	-
Total Expenditures	<u>39,517</u>	<u>39,517</u>	<u>39,517</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	-	-	(10,471)	(10,471)
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(10,471)</u>	<u>(10,471)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(10,471)</u>	<u>(10,471)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ (10,471)	
Adjustments to Revenues			10,471	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Media Arts Collaborative Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Entitlement IDEA-B 24106
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
REVENUES				
Federal Grant	\$ 31,668	35,215	29,336	(5,879)
Total Revenues	<u>31,668</u>	<u>35,215</u>	<u>29,336</u>	<u>(5,879)</u>
EXPENDITURES				
Current:				
Instruction	31,668	33,474	33,474	-
Support Services:				
Students	-	1,741	1,741	-
Total Expenditures	<u>31,668</u>	<u>35,215</u>	<u>35,215</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(5,879)</u>	<u>(5,879)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(5,879)</u>	<u>(5,879)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(5,879)</u>	<u>(5,879)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (5,879)	
Adjustments to Revenues			5,879	
Adjustments to Expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Media Arts Collaborative Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Risk Pool 24120
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
REVENUES				
Federal Grant	\$ -	46	-	(46)
Total Revenues	<u>-</u>	<u>46</u>	<u>-</u>	<u>(46)</u>
EXPENDITURES				
Current:				
Support Services:				
Students	-	46	46	-
Total Expenditures	<u>-</u>	<u>46</u>	<u>46</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(46)</u>	<u>(46)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(46)</u>	<u>(46)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(46)</u>	<u>(46)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (46)	
Adjustments to Revenues			46	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Media Arts Collaborative Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Teacher/Principal Training & Recruiting 24154
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
REVENUES				
Federal Grant	\$ 6,337	9,560	6,337	(3,223)
Total Revenues	<u>6,337</u>	<u>9,560</u>	<u>6,337</u>	<u>(3,223)</u>
EXPENDITURES				
Current:				
Instruction	6,337	9,560	9,560	-
Total Expenditures	<u>6,337</u>	<u>9,560</u>	<u>9,560</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(3,223)	(3,223)
Net Changes in Fund Balances	-	-	(3,223)	(3,223)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(3,223)</u>	<u>(3,223)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (3,223)	
Adjustments to Revenues			3,223	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Media Arts Collaborative Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
PNM Foundation 26123
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
REVENUES				
Local & County Grant	\$ -	15,000	15,000	-
Total Revenues	<u>-</u>	<u>15,000</u>	<u>15,000</u>	<u>-</u>
EXPENDITURES				
Current:				
Community Service Operations	-	15,000	8,232	6,768
Total Expenditures	<u>-</u>	<u>15,000</u>	<u>8,232</u>	<u>6,768</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>6,768</u>	<u>6,768</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>6,768</u>	<u>6,768</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>6,768</u>	<u>6,768</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 6,768	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 6,768</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Media Arts Collaborative Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
QWEST Foundation for Education 26175
For The Year Ended June 30, 2015

	Budgeted Amounts			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
REVENUES				
Local & County Grant	\$ -	4,983	4,982	(1)
Total Revenues	<u>-</u>	<u>4,983</u>	<u>4,982</u>	<u>(1)</u>
EXPENDITURES				
Current:				
Instruction	-	4,983	4,670	313
Total Expenditures	<u>-</u>	<u>4,983</u>	<u>4,670</u>	<u>313</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>312</u>	<u>312</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>312</u>	<u>312</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>312</u>	<u>312</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 312	
Adjustments to Revenues			-	
Adjustments to Expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 312</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Media Arts Collaborative Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
United Way Grant 26218
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
REVENUES				
Local & County Grant	\$ -	5,497	5,497	-
Total Revenues	<u>-</u>	<u>5,497</u>	<u>5,497</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	-	5,497	5,497	-
Total Expenditures	<u>-</u>	<u>5,497</u>	<u>5,497</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Media Arts Collaborative Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Dual Credit Instructional Materials 27103
For The Year Ended June 30, 2015

	Budgeted Amounts			Variance Positive (Negative)
	Original Budget	Final Budget	Actual Amount	
REVENUES				
State Grant	\$ -	1,426	1,212	(214)
Total Revenues	-	1,426	1,212	(214)
EXPENDITURES				
Current:				
Instruction	-	1,426	1,426	-
Total Expenditures	-	1,426	1,426	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(214)	(214)
Net Changes in Fund Balances	-	-	(214)	(214)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	(214)	(214)
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (214)	
Adjustments to Revenues			214	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Media Arts Collaborative Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Workforce Readiness 27179
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
REVENUES				
State Grant	\$ -	85,260	56,759	(28,501)
Total Revenues	<u>-</u>	<u>85,260</u>	<u>56,759</u>	<u>(28,501)</u>
EXPENDITURES				
Current:				
Instruction	-	85,260	85,260	-
Total Expenditures	<u>-</u>	<u>85,260</u>	<u>85,260</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(28,501)</u>	<u>(28,501)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(28,501)</u>	<u>(28,501)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(28,501)</u>	<u>(28,501)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (28,501)	
Adjustments to Revenues			28,501	
Adjustments to Expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Media Arts Collaborative Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Private Direct Grants (Categorical) 29102
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
REVENUES				
Local & County Grant	\$ -	1,500	1,500	-
Total Revenues	<u>-</u>	<u>1,500</u>	<u>1,500</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	-	1,500	1,500	-
Total Expenditures	<u>-</u>	<u>1,500</u>	<u>1,500</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
			<u>\$ -</u>	
NET CHANGE IN FUND BALANCE				

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Media Arts Collaborative Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Public School Capital Outlay 31200
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
REVENUES				
State Grant	\$ -	139,111	139,111	-
Total Revenues	<u>-</u>	<u>139,111</u>	<u>139,111</u>	<u>-</u>
EXPENDITURES				
Capital outlay	-	139,111	139,111	-
Total Expenditures	<u>-</u>	<u>139,111</u>	<u>139,111</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
			<u>\$ -</u>	
NET CHANGE IN FUND BALANCE				

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Media Arts Collaborative Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Special Capital Outlay - State 31400
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
REVENUES				
State Grant	\$ 391,050	391,050	282,934	(108,116)
Total Revenues	<u>391,050</u>	<u>391,050</u>	<u>282,934</u>	<u>(108,116)</u>
EXPENDITURES				
Capital outlay	391,050	391,050	290,900	100,150
Total Expenditures	<u>391,050</u>	<u>391,050</u>	<u>290,900</u>	<u>100,150</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(7,966)	(7,966)
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(7,966)</u>	<u>(7,966)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(7,966)</u>	<u>(7,966)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (7,966)	
Adjustments to Revenues			7,966	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Media Arts Collaborative Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
SB-9 Capital Improvements 31700
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
REVENUES				
Property Taxes	\$ 56,077	56,077	55,531	(546)
State Grant	-	5,344	-	(5,344)
Total Revenues	<u>56,077</u>	<u>61,421</u>	<u>55,531</u>	<u>(5,890)</u>
EXPENDITURES				
Current:				
Support Services:				
General Administration	561	561	-	561
Capital outlay	96,626	101,970	78,995	22,975
Total Expenditures	<u>97,187</u>	<u>102,531</u>	<u>78,995</u>	<u>23,536</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(41,110)</u>	<u>(41,110)</u>	<u>(23,464)</u>	<u>17,646</u>
Other Financing Sources (Uses):				
Designated Cash	41,110	41,110	-	(41,110)
Total other Financing Sources (Uses):	<u>41,110</u>	<u>41,110</u>	<u>-</u>	<u>(41,110)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(23,464)</u>	<u>(23,464)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>41,738</u>	<u>41,738</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>18,274</u>	<u>18,274</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (23,464)	
Adjustments to Revenues			866	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (22,598)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Media Arts Collaborative Charter School
Schedule of Collateral Pledged by Depository for Public Funds
June 30, 2015

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2015</u>
US Bank	FHLMC FGLMC G01511	31283HVC6	2/1/2033	\$ 136,033
US Bank	FHLMC FGLMC G01554	31283HWP6	5/1/2033	331,663
				<u>\$ 467,695</u>
Total Cash per Schedule of Cash Accounts				\$ 553,928
Less: FDIC coverage:				<u>(370,995)</u>
Uninsured Public Funds:				182,933
Collateral Requirement:				91,467
Pledged Collateral Held by Pledging Financial Institution:				<u>467,695</u>
Balance Over Collateralized:				<u>\$ (376,229)</u>
Balance Uninsured and Uncollateralized at June 30, 2015:				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

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STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Media Arts Collaborative Charter School
Schedule of Cash Accounts
June 30, 2015

Bank Account Type	US Bank	NM Educators	Bank of the West	Total
Checking - Operational Account	\$ 432,933	70,995	50,000	553,928
<i>Total on Deposit</i>	432,933	70,995	50,000	553,928
Reconciling Items	(91,028)	-	-	(91,028)
Reconciled Balance June 30, 2015	\$ 341,905	70,995	50,000	462,900
Less Agency Funds				(5,516)
<i>Total Cash</i>				\$ 457,384

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Media Arts Collaborative Charter School
Cash Reconciliation
June 30, 2015

	Operational 11000	Instructional Materials 14000	Food Services 21000	Federal Projects Account 24000
Cash, June 30, 2014	\$ 297,294	11,453	11,911	-
Add:				
2014-15 Revenues	<u>2,290,690</u>	<u>16,363</u>	<u>53,506</u>	<u>64,719</u>
Total Cash Available	2,587,984	27,816	65,417	64,719
Less:				
2014-15 Expenditures	(2,244,773)	(21,076)	(58,239)	(84,338)
Receivables/Payables	657	-	-	-
Outstanding Loans	<u>(56,300)</u>	<u>-</u>	<u>-</u>	<u>19,619</u>
Cash June 30, 2015	<u>287,568</u>	<u>6,740</u>	<u>7,178</u>	<u>-</u>
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	<u>129,702</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash per Books	<u>417,270</u>	<u>6,740</u>	<u>7,178</u>	<u>-</u>
Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	<u>(43,661)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, Modified Accrual Basis	<u>\$ 373,609</u>	<u>6,740</u>	<u>7,178</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements

Local Grants Fund 26000	State Flow Through Fund 27000	Local or State Fund 29000	Public School Capital Outlay 31200	Special Capital Outlay - State 31400	SB-9 Capital Improvements 31700	Total Government
-	842	-	-	-	33,113	354,613
25,479	57,971	1,500	139,111	282,934	55,531	2,987,804
25,479	58,813	1,500	139,111	282,934	88,644	3,342,417
(18,399)	(86,686)	(1,500)	(139,111)	(290,900)	(78,995)	(3,024,017)
-	-	-	-	-	8,625	9,282
-	28,715	-	-	7,966	-	-
7,080	842	-	-	-	18,274	327,682
-	-	-	-	-	-	129,702
7,080	842	-	-	-	18,274	457,384
-	-	-	-	-	866	(42,795)
7,080	842	-	-	-	19,140	414,589
Balance Sheets-Governmental Funds:						<u>\$ 414,589</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Mission Achievement and Success
 Statement of Net Position
 June 30, 2015

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 527,358
Receivables	
Due from Other Governments	159,641
Prepaid Expenditures	<u>11,250</u>
Total Current Assets	<u>698,249</u>

Noncurrent Assets:

Capital Assets	
Furniture, Fixtures, and Equipment	145,086
Less: Accumulated Depreciation	<u>(21,909)</u>
Total Noncurrent Assets	<u>123,177</u>

Total Assets 821,426

Deferred Outflows - Pension Related 1,309,830

LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accounts Payable	11,180
Accrued Liabilities	221,145
Compensated Absences	<u>6,482</u>
Total Current Liabilities	<u>238,807</u>

Noncurrent Liabilities:

Net Pension Liability	<u>2,511,083</u>
Total Noncurrent Liabilities	<u>2,511,083</u>

Total Liabilities 2,749,890

Deferred Inflows - Pension Related 265,691

NET POSITION

Investment in Capital Assets	123,177
Restricted	112,564
Unrestricted (Deficit)	<u>(1,120,066)</u>
Total Net Position	<u>\$ (884,325)</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Mission Achievement and Success
Statement of Activities
For The Year Ended June 30, 2015

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 2,686,520	-	264,708	-	(2,421,812)
Support Services:					
Students	216,010	-	-	-	(216,010)
Instruction	14,049	-	-	-	(14,049)
General Administration	45,362	-	-	-	(45,362)
School Administration	336,628	-	-	-	(336,628)
Central Services	242,162	-	-	-	(242,162)
Operation & Maintenance of Plant	368,686	-	-	-	(368,686)
Community Services Operations	9,111	-	-	-	(9,111)
Student Transportation	70,255	-	79,955	-	9,700
Food Services	290,828	-	340,820	-	49,992
Facilities Materials, Supplies & Other Services	213,117	-	-	294,417	81,300
Total Governmental Activities	\$ 4,492,728	-	685,483	294,417	(3,512,828)
General Revenues:					
State Equalization Guarantee					\$ 3,446,874
Total General Revenues					3,446,874
Change in Net Position					(65,954)
Net Position- Beginning of Year					362,224
Restatement					(1,180,595)
Net Position as Restated					(818,371)
Net position, Ending					\$ (884,325)

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Mission Achievement and Success
Balance Sheets - Governmental Funds
June 30, 2015

	Operational 11000	Pupil Transportation 13000	Instructional Materials 14000	Food Services 21000
ASSETS				
Cash and Cash Equivalents	\$ 425,877	9,700	32,597	53,655
Accounts Receivable				
Due from Government	485	-	-	-
Due from Other Funds	154,286	-	-	-
Prepaid Expenses	-	-	-	-
Total Assets	\$ 580,648	9,700	32,597	53,655
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 11,012	-	-	-
Accrued Expenditures	208,631	-	-	-
Due to Other Funds	-	-	-	-
Total Liabilities	219,643	-	-	-
Fund Balances				
Fund Balance:				
Nonspendable:				
Prepaid Expenditures	-	-	-	-
Restricted for:				
Instruction	-	-	32,597	-
Food Service Operations	-	-	-	53,655
Student Transportation	-	9,700	-	-
Unassigned	361,005	-	-	-
Total Fund Balance	361,005	9,700	32,597	53,655
Total Liabilities and Fund Balances	\$ 580,648	9,700	32,597	53,655

Title I IASA 24101	IDEA-B Entitlement 24106	Federal Charter School Planning 24146	Teacher Principal Training 24154	Medicaid 3/21 Years 25153	STEM 27181
-	-	-	-	5,529	-
84,746	17,793	-	6,763	-	-
-	-	-	-	-	-
-	-	11,250	-	-	-
<u>84,746</u>	<u>17,793</u>	<u>11,250</u>	<u>6,763</u>	<u>5,529</u>	<u>-</u>
-	-	-	-	168	-
7,051	5,463	-	-	-	-
<u>77,694</u>	<u>12,330</u>	<u>7,645</u>	<u>6,763</u>	<u>-</u>	<u>-</u>
<u>84,745</u>	<u>17,793</u>	<u>7,645</u>	<u>6,763</u>	<u>168</u>	<u>-</u>
-	-	11,250	-	-	-
1	-	-	-	5,361	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	(7,645)	-	-	-
<u>1</u>	<u>-</u>	<u>3,605</u>	<u>-</u>	<u>5,361</u>	<u>-</u>
<u>84,746</u>	<u>17,793</u>	<u>11,250</u>	<u>6,763</u>	<u>5,529</u>	<u>-</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Mission Achievement and Success
Balance Sheets - Governmental Funds (Continued)
June 30, 2015

	Public School Capital Outlay 31200	Special Capital Outlay State 31400	Total
ASSETS			
Cash and Cash Equivalents	\$ -	-	527,358
Accounts Receivable			
Due from Government	49,854	-	159,641
Due from Other Funds	-	-	154,286
Prepaid Expenses	-	-	11,250
Total Assets	\$ 49,854	-	852,535
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts Payable	\$ -	-	11,180
Accrued Expenditures	-	-	221,145
Due to Other Funds	49,854	-	154,286
Total Liabilities	49,854	-	386,611
Fund Balances			
Fund Balance:			
Nonspendable:			
Prepaid Expenditures	-	-	11,250
Restricted for:			
Instruction	-	-	37,959
Food Service Operations	-	-	53,655
Student Transportation	-	-	9,700
Unassigned	-	-	353,360
Total Fund Balance	-	-	465,924
Total Liabilities and Fund Balances	\$ 49,854	-	852,535

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Mission Achievement and Success
Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
June 30, 2015

Fund Balance - Total Governmental Funds **\$ 465,924**

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

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

Capital Assets	145,086	
Accumulated Depreciation	<u>(21,909)</u>	123,177

Defined benefit pension plan deferred outflows are not
 financial resources and, therefore, are not reported in the
 funds

1,309,830

Compensated Absences

(6,482)

Long-term liabilities are not due in the current period and,
 therefore, are not reported in the funds.

Net Pension Liability

(2,511,083)

Defined benefit pension plan deferred inflows are not due and
 payable in the current period and, therefore, are not reported
 in the funds.

(265,691)

Net Position-Total Governmental Activities

\$ (884,325)

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Mission Achievement and Success
Statement of Revenues, Expenditures, and Changes In Fund Balances
Governmental Funds
For The Year Ended June 30, 2015

	Operational 11000	Pupil Transportation 13000	Instructional Materials 14000	Food Services 21000
REVENUES				
State Grant	\$ 3,446,874	79,955	27,889	-
Federal Grant	-	-	-	340,820
Total Revenues	<u>3,446,874</u>	<u>79,955</u>	<u>27,889</u>	<u>340,820</u>
EXPENDITURES				
Current:				
Instruction	2,214,115	-	9,360	-
Support Services:				
Students	202,997	-	-	-
Instruction	14,049	-	-	-
General Administration	45,362	-	-	-
School Administration	315,494	-	-	-
Central Services	233,572	-	-	-
Operation & Maintenance of Plant	407,700	-	-	-
Student Transportation	-	70,255	-	-
Food Services Operations	-	-	-	290,828
Community Services Operation	8,166	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>3,441,455</u>	<u>70,255</u>	<u>9,360</u>	<u>290,828</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>5,419</u>	<u>9,700</u>	<u>18,529</u>	<u>49,992</u>
Net Changes in Fund Balances	<u>5,419</u>	<u>9,700</u>	<u>18,529</u>	<u>49,992</u>
Fund Balances - Beginning of Year	<u>355,586</u>	<u>-</u>	<u>14,068</u>	<u>3,663</u>
Fund Balances - End of Year	<u>\$ 361,005</u>	<u>9,700</u>	<u>32,597</u>	<u>53,655</u>

Title I IASA 24101	IDEA-B Entitlement 24106	Federal Charter School Planning 24146	Teacher Principal Training 24154	Medicaid 3/21 Years 25153	STEM 27181
-	-	-	-	-	42,525
107,251	60,525	-	20,743	5,775	-
107,251	60,525	-	20,743	5,775	42,525
107,250	60,525	-	20,743	-	42,525
-	-	-	-	414	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
107,250	60,525	-	20,743	414	42,525
1	-	-	-	5,361	-
1	-	-	-	5,361	-
-	-	3,605	-	-	-
1	-	3,605	-	5,361	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Mission Achievement and Success
Statement of Revenues, Expenditures, and Changes In Fund Balances - Continued
Governmental Funds
For The Year Ended June 30, 2015

	Public School Capital Outlay 31200	Special Capital Outlay State 31400	Total
REVENUES			
State Grant	\$ 199,417	95,000	3,891,660
Federal Grant	-	-	535,114
Total Revenues	<u>199,417</u>	<u>95,000</u>	<u>4,426,774</u>
EXPENDITURES			
Current:			
Instruction	-	-	2,454,518
Support Services:			
Students	-	-	203,411
Instruction	-	-	14,049
General Administration	-	-	45,362
School Administration	-	-	315,494
Central Services	-	-	233,572
Operation & Maintenance of Plant	-	-	407,700
Student Transportation	-	-	70,255
Food Services Operations	-	-	290,828
Community Services Operation	-	-	8,166
Capital Outlay	199,417	95,000	294,417
Total Expenditures	<u>199,417</u>	<u>95,000</u>	<u>4,337,772</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>89,002</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>89,002</u>
Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>376,922</u>
Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>465,924</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Mission Achievement and Success
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2015

Net Change in Fund Balance-Total Governmental Funds **\$ 89,002**

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

Change in Compensated Absences 8,216

Capital outlays to purchase or build capital assets are reported in
 governmental funds as expenditures. However, for governmental activities
 those costs are shown in the Statement of Net Position and allocated over
 their estimated useful lives as annual depreciation expenses in the
 Statement of Activities. This is the amount by which capital outlay exceeds
 depreciation for the period

Capital Outlays	145,086		
Depreciation Expense	(21,909)		
			123,177

The issuance of long-term debt (e.g., bonds, notes, leases) provide current
 financial resources to governmental funds, while the repayment of the
 principal of long-term debt consumes the current financial resources of
 governmental funds. Neither transaction, however, has any effect on net
 position.

Changes in Net Pension Liability		(286,349)	

Change in Net Position-Total Governmental Activities **\$ (65,954)**

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Mission Achievement and Success
Statement of Fiduciary Assets and Liabilities- Agency Funds
June 30, 2015

	<u>Agency</u>
ASSETS	
Cash in Bank	\$ 1,495
Total Assets	<u>\$ 1,495</u>
LIABILITIES	
Deposits Held for Others	\$ 1,495
Total Liabilities	<u>\$ 1,495</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Mission Achievement and Success
 Schedule of Changes in Assets and Liabilities - Agency Funds
 For The Year Ended June 30, 2015

	<u>Balance</u> <u>July 1, 2014</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2015</u>
ASSETS				
Cash in Bank	\$ 1,516	5,654	(5,675)	1,495
Total Assets	<u>\$ 1,516</u>	<u>5,654</u>	<u>(5,675)</u>	<u>1,495</u>
LIABILITIES				
Deposits Held for Others	\$ 1,516	5,654	(5,675)	1,495
Total Liabilities	<u>\$ 1,516</u>	<u>5,654</u>	<u>(5,675)</u>	<u>1,495</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Mission Achievement and Success
Notes to the Financial Statements
June 30, 2015

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Capital Assets. Capital assets purchased or acquired are 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 Mission Achievement and Success' capitalization policy (i.e., the dollar value above which the asset acquisitions are added to the capital accounts) is \$5,000. The Mission Achievement Success does not capitalize any interest with regard to its capital assets.

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

Furniture, Fixtures and Equipment	5 years
Buildings and Improvements	40 years

Capital assets for the Mission Achievement and Success are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB's Fiduciary Net Position have been determined on the economic resources measurement focus and accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 2. CAPITAL ASSETS

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

	<u>Balance</u> <u>June 30, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2015</u>
<i>Capital Assets being Depreciated:</i>				
Furniture, Fixtures and Equipment	\$ -	145,086	-	145,086
<i>Total</i>	-	145,086	-	145,086
<i>Less: Accumulated Depreciation</i>				
Furniture, fixtures and equipment	-	(21,909)	-	(21,909)
<i>Total</i>	-	(21,909)	-	(21,909)
Capital Assets, Net	\$ -	123,177	-	123,177

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Mission Achievement and Success
Notes to the Financial Statements
June 30, 2015

NOTE 2. CAPITAL ASSETS (CONTINUED)

Depreciation expensed for the year ended June 30, 2015 was expensed to the following functions:

Operation & Maintenance of Plant	\$ 9,401
Capital Outlay	12,508
Total	<u>\$ 21,909</u>

NOTE 3. COMMITMENTS AND LIABILITIES

The Mission Achievement and Success leased equipment and facilities under long-term cancelable operating leases. Rental expense for the year ended June 30, 2015 was \$275,096. The Mission Achievement and Success minimum future payments on this lease are as follows:

Year Ending June 30:	
2016	\$ 203,260
2017	5,393
2018	5,393
2019	5,393
Total	<u>\$ 219,439</u>

The Mission Achievement and Success had a compensated absences balance of \$14,698 at the beginning of the fiscal year. Decreases to the balance were \$8,216 which resulted in an ending balance of \$6,482. All of this balance is considered to be current.

NOTE 4. RELATED PARTY TRANSACTIONS

The business manager services are performed by the Vigil Group, which performs services for multiple state charter schools.

NOTE 5. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD

Contributions. The contribution requirements of defined benefit plan members and Mission Achievement and Success are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year ended June 30, 2014 employers contributed 13.15% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.10% of their gross annual salary. For fiscal year ended June 30, 2015 employers contributed 13.90%, and employees earning \$20,000 or less continued to contribute

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Mission Achievement and Success
Notes to the Financial Statements
June 30, 2015

NOTE 5. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

7.90% and employees earning more than \$20,000 contributed an increased amount of 10.70% of their gross annual salary. Contributions to the pension plan from Mission Achievement and Success were \$254,084 for the year ended June 30, 2015.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2013. The total ERB pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2014, using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date June 30, 2014. At June 30, 2015, Mission Achievement and Success reported a liability of \$2,511,083 for its proportionate share of the net pension liability. Mission Achievement and Success' proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2014. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2014, Mission Achievement and Success' proportion was 0.04401%, which was an increase of 0.02266% from its proportion measured as of June 30, 2013.

For the year ended June 30, 2015, Mission Achievement and Success recognized pension expense of \$540,433. At the June 30, 2015, Mission Achievement and Success reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Mission Achievement and Success
Notes to the Financial Statements
June 30, 2015

NOTE 5. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$	37,409
Changes in assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	228,282
Changes in proportion and differences between Mission Achievement and Success contributions and proportionate share of contributions	1,055,746	-
Mission Achievement and Success contributions subsequent to the measurement date	<u>254,084</u>	<u>-</u>
Total	<u>\$ 1,309,830</u>	<u>265,691</u>

\$254,084 reported as deferred outflows of resources related to pensions resulting from Mission Achievement and Success contributions subsequent to the measurement date June 30, 2014 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2016	\$ (296,523)
2017	(296,523)
2018	(254,092)
2019	<u>57,083</u>
Total	<u>\$ (790,055)</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Mission Achievement and Success
Notes to the Financial Statements
June 30, 2015

NOTE 5. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

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

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
Mission Achievement and Success proportionate share of the net pension liability	<u>\$3,416,620</u>	<u>2,511,083</u>	<u>1,754,817</u>

Payables to the pension plan. For the year ending June 30, 2015, Mission Achievement and Success' accrued liability due to ERB was \$61,507 for June payroll paid in July 2015.

NOTE 6. RESTATEMENT

As a result of the implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, net position at June 30, 2014 was restated in the amount of \$(1,180,595).

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Mission Achievement and Success
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2015**

**New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)**

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.04%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 2,511	-	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 1,213	-	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	206.99%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30, 2014

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Mission Achievement and Success
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2015

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 160	-	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	160	-	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ -	-	-	-	-	-	-	-	-	-

Year	Total Amount Deferred	Amortization Years	Increase (Decrease) in Pension Expense over Recognition Periods											
			2015	2016	2017	2018	2019	2020	2021	2022	2023	2024		
2014	\$ (790)	5	\$ (297)	(297)	(297)	(254)	58	-	-	-	-	-	-	-
2015	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2016	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2017	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2018	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2019	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2020	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2021	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2022	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2023	-	5	-	-	-	-	-	-	-	-	-	-	-	-
	\$ (790)		\$ (297)	(297)	(254)	58	-	-	-	-	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Mission Achievement and Success
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 3,366,013	3,429,192	3,446,874	17,682
Total Revenues	<u>3,366,013</u>	<u>3,429,192</u>	<u>3,446,874</u>	<u>17,682</u>
EXPENDITURES				
Current:				
Instruction	2,339,869	2,438,193	2,214,301	223,892
Support Services:				
Students	218,641	225,600	202,519	23,081
Instruction	10,000	14,050	14,049	1
General Administration	41,535	50,851	45,137	5,714
School Administration	274,994	337,842	315,494	22,348
Central Services	244,430	252,891	228,127	24,764
Operation & Maintenance of Plant	286,544	453,609	404,904	48,705
Total Expenditures	<u>3,416,013</u>	<u>3,773,036</u>	<u>3,424,531</u>	<u>348,505</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(50,000)</u>	<u>(343,844)</u>	<u>22,343</u>	<u>366,187</u>
Net Changes in Fund Balances	<u>(50,000)</u>	<u>(343,844)</u>	<u>22,343</u>	<u>366,187</u>
Cash or Fund Balances - Beginning of Year	<u>355,297</u>	<u>355,297</u>	<u>355,297</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ 305,297</u>	<u>11,453</u>	<u>377,640</u>	<u>366,187</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 22,343	
Adjustments to Expenditures			<u>(16,924)</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 5,419</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Mission Achievement and Success
Schedule of Budgetary Comparisons - Budgetary Basis
Pupil Transportation 13000
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 84,407	79,955	79,955	-
Total Revenues	<u>84,407</u>	<u>79,955</u>	<u>79,955</u>	<u>-</u>
EXPENDITURES				
Current:				
Student Transportation	84,407	79,955	70,255	9,700
Total Expenditures	<u>84,407</u>	<u>79,955</u>	<u>70,255</u>	<u>9,700</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>9,700</u>	<u>9,700</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>9,700</u>	<u>9,700</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>9,700</u>	<u>9,700</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 9,700	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 9,700</u>	

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

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Mission Achievement and Success
 Schedule of Budgetary Comparisons - Budgetary Basis
 Instructional Materials 14000
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 15,032	27,889	27,889	-
Total Revenues	<u>15,032</u>	<u>27,889</u>	<u>27,889</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	15,032	41,957	9,360	32,597
Total Expenditures	<u>15,032</u>	<u>41,957</u>	<u>9,360</u>	<u>32,597</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	(14,068)	18,529	32,597
Net Changes in Fund Balances	-	(14,068)	18,529	32,597
Cash or Fund Balances - Beginning of Year	14,068	14,068	14,068	-
Cash or Fund Balances - End of Year	<u>\$ 14,068</u>	<u>-</u>	<u>32,597</u>	<u>32,597</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 18,529	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 18,529</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Mission Achievement and Success
Schedule of Budgetary Comparisons - Budgetary Basis
Food Services 21000
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 180,000	302,000	340,820	38,820
Total Revenues	<u>180,000</u>	<u>302,000</u>	<u>340,820</u>	<u>38,820</u>
EXPENDITURES				
Current:				
Food Services Operations	180,000	305,663	290,828	14,835
Total Expenditures	<u>180,000</u>	<u>305,663</u>	<u>290,828</u>	<u>14,835</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>(3,663)</u>	<u>49,992</u>	<u>53,655</u>
Net Changes in Fund Balances	<u>-</u>	<u>(3,663)</u>	<u>49,992</u>	<u>53,655</u>
Cash or Fund Balances - Beginning of Year	<u>3,663</u>	<u>3,663</u>	<u>3,663</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ 3,663</u>	<u>-</u>	<u>53,655</u>	<u>53,655</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 49,992	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 49,992</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Mission Achievement and Success
Schedule of Budgetary Comparisons - Budgetary Basis
Title I IASA 24101
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 107,252	107,252	107,299	47
Total Revenues	<u>107,252</u>	<u>107,252</u>	<u>107,299</u>	<u>47</u>
EXPENDITURES				
Current:				
Instruction	107,252	107,252	107,250	2
Total Expenditures	<u>107,252</u>	<u>107,252</u>	<u>107,250</u>	<u>2</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>49</u>	<u>49</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>49</u>	<u>49</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>49</u>	<u>49</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 49	
Adjustments to Revenues			<u>(48)</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 1</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Mission Achievement and Success
 Schedule of Budgetary Comparisons - Budgetary Basis
 IDEA-B Entitlement 24106
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ -	60,525	48,401	(12,124)
Total Revenues	<u>-</u>	<u>60,525</u>	<u>48,401</u>	<u>(12,124)</u>
EXPENDITURES				
Current:				
Instruction	-	60,525	60,525	-
Total Expenditures	<u>-</u>	<u>60,525</u>	<u>60,525</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(12,124)</u>	<u>(12,124)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(12,124)</u>	<u>(12,124)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(12,124)</u>	<u>(12,124)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (12,124)	
Adjustments to Revenues			<u>12,124</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Mission Achievement and Success
 Schedule of Budgetary Comparisons - Budgetary Basis
 Teacher Principal Training 24154
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 13,980	20,743	26,452	5,709
Total Revenues	<u>13,980</u>	<u>20,743</u>	<u>26,452</u>	<u>5,709</u>
EXPENDITURES				
Current:				
Instruction	13,980	20,743	20,743	-
Total expenditures	<u>13,980</u>	<u>20,743</u>	<u>20,743</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	5,709	5,709
Net changes in Fund Balances	-	-	5,709	5,709
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>5,709</u>	<u>5,709</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 5,709	
Adjustments to Revenues			(5,709)	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Mission Achievement and Success
 Schedule of Budgetary Comparisons - Budgetary Basis
 Medicaid 3/21 Years 25153
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ -	2,236	5,775	3,539
Total Revenues	<u>-</u>	<u>2,236</u>	<u>5,775</u>	<u>3,539</u>
EXPENDITURES				
Current:				
Support Services:				
Students	-	2,236	246	1,990
Total Expenditures	<u>-</u>	<u>2,236</u>	<u>246</u>	<u>1,990</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>5,529</u>	<u>5,529</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>5,529</u>	<u>5,529</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>5,529</u>	<u>5,529</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 5,529	
Adjustments to expenditures			<u>(168)</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 5,361</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Mission Achievement and Success
Schedule of Budgetary Comparisons - Budgetary Basis
STEM 27181
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	42,525	42,525	-
Total Revenues	<u>-</u>	<u>42,525</u>	<u>42,525</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	-	42,525	42,525	-
Total Expenditures	<u>-</u>	<u>42,525</u>	<u>42,525</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Mission Achievement and Success
Schedule of Budgetary Comparisons - Budgetary Basis
Public School Capital Outlay 31200
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	199,417	169,634	(29,783)
Total Revenues	<u>-</u>	<u>199,417</u>	<u>169,634</u>	<u>(29,783)</u>
EXPENDITURES				
Current:				
Capital Outlay	-	199,417	199,417	-
Total Expenditures	<u>-</u>	<u>199,417</u>	<u>199,417</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(29,783)</u>	<u>(29,783)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(29,783)</u>	<u>(29,783)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(29,783)</u>	<u>(29,783)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (29,783)	
Adjustments to Revenues			<u>29,783</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Mission Achievement and Success
 Schedule of Budgetary Comparisons - Budgetary Basis
 Special Capital Outlay State 31400
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 95,000	95,000	95,000	-
Total Revenues	<u>95,000</u>	<u>95,000</u>	<u>95,000</u>	<u>-</u>
EXPENDITURES				
Current:				
Capital Outlay	95,000	95,000	95,000	-
Total Expenditures	<u>95,000</u>	<u>95,000</u>	<u>95,000</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
Net Changes in Fund Balances	-	-	-	-
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Mission Achievement and Success
Schedule of Collateral Pledged by Depository for Public Funds
June 30, 2015

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2015</u>
Wells Fargo	FNR 2013-131 HD	3136AHRP7	1/1/2044	\$ 65,994
Wells Fargo	FN AL0176	3138EGFS8	5/1/2041	8,290
Wells Fargo	FN AT9528	3138WXSS7	7/1/2043	75,316
Wells Fargo	FN AB7597	31417ENP2	1/1/2043	36,658
Wells Fargo	FN MA1003	31418ADH8	3/1/2042	35,701
Wells Fargo	FN AE2539	31419CZD8	9/1/2040	5,750
				<u>\$ 227,709</u>

Total Cash per Schedule of Cash Accounts:	\$	555,168
Less: FDIC coverage:		<u>(250,000)</u>
Uninsured Public Funds:		305,168
Collateral Requirement:		152,584
Pledged Collateral Held by Pledging Financial Institution:		<u>227,709</u>
Balance Over Collateralized:	\$	<u>75,125</u>
Balance Uninsured and Uncollateralized at June 30, 2015:	\$	<u>77,459</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Mission Achievement and Success
 Schedule of Cash Accounts
 June 30, 2015

Bank Account Type	Wells Fargo
Checking - Operational Account	\$ 555,168
Total on Deposit	555,168
Reconciling Items	<u>(26,315)</u>
Reconciled Balance June 30, 2015	<u>528,853</u>
Less Agency Funds	<u>(1,495)</u>
Total Cash	<u><u>\$ 527,358</u></u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Mission Achievement and Success
Cash Reconciliation
June 30, 2015

	Operational 11000	Transportation 13000	Instructional Materials 14000	Food Services 21000
Cash, June 30, 2014	\$ 356,801	-	14,068	3,663
Add:				
2014-15 revenues	<u>3,446,874</u>	<u>79,955</u>	<u>27,889</u>	<u>340,820</u>
Total Cash Available	3,803,675	79,955	41,957	344,483
Less:				
2014-15 expenditures	(3,434,070)	(70,255)	(9,360)	(290,828)
Receivables/Payables	209,333	-	-	-
Outstanding Loans	<u>(154,287)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash June 30, 2015	<u>424,651</u> *	<u>9,700</u>	<u>32,597</u>	<u>53,655</u>
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	<u>1,226</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash Per Books	<u>425,877</u>	<u>9,700</u>	<u>32,597</u>	<u>53,655</u>

Does not match general ledger *

Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	<u>(64,872)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, Modified Accrual Basis	<u>\$ 361,005</u>	<u>9,700</u>	<u>32,597</u>	<u>53,655</u>

Non-Instruct. Fund 23000	Federal Projects Account 24000	Federal Direct 25000	State Account 27000	Public School Capital Outlay 31200	Special Capital Outlay State 31400	Total
1,516	(102,934)	-	(20,013)	(20,071)	-	233,030
<u>5,653</u>	<u>182,152</u>	<u>5,774</u>	<u>62,538</u>	<u>169,634</u>	<u>95,000</u>	<u>4,416,289</u>
7,169	79,218	5,774	42,525	149,563	95,000	4,649,319
(5,674)	(188,519)	(245)	(42,525)	(199,417)	(95,000)	(4,335,893)
-	4,868	-	-	-	-	214,201
-	104,433	-	-	49,854	-	-
<u>1,495</u>	<u>-</u>	<u>5,529</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>527,627</u>
-	-	-	-	-	-	1,226
<u>1,495</u>	<u>-</u>	<u>5,529</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>528,853</u>
Less: Activity Funds Per Schedule of Changes in Assets and Liabilities - Agency Fund:						<u>(1,495)</u>
						<u>\$ 527,358</u>
<u>(1,495)</u>	<u>3,606</u>	<u>(168)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(62,929)</u>
<u>-</u>	<u>3,606</u>	<u>5,361</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>465,924</u>
Balance Sheets - Governmental Funds:						<u>\$ 465,924</u>

STATE OF NEW MEXICO

PUBLIC EDUCATION DEPARTMENT

Financial Statements
June 30, 2015

VOLUME VIII



AXIOM

*Certified Public Accountants
and Business Advisors LLC*

**STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
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STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Montessori Elementary
 Statement of Net Position
 June 30, 2015

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 543,473
Receivables	
Due from Other Governments	22,464
Total Current Assets	<u>565,937</u>

Noncurrent Assets:

Capital Assets	
Building and Improvements	497,693
Furniture, Fixtures, and Equipment	22,353
Less: Accumulated Depreciation	<u>(92,690)</u>
Total Noncurrent Assets	<u>427,356</u>

Total Assets	<u>993,293</u>
---------------------	----------------

Deferred Outflows - Pension Related	<u>412,665</u>
--	----------------

LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accounts Payable	7,376
Accrued Liabilities	<u>118,959</u>
Total Current Liabilities	<u>126,335</u>

Noncurrent Liabilities:

Net Pension Liability	<u>2,511,654</u>
Total Noncurrent Liabilities	<u>2,511,654</u>

Total Liabilities	<u>2,637,989</u>
--------------------------	------------------

Deferred Inflows - Pension Related	<u>265,745</u>
---	----------------

NET POSITION

Investment in Capital Assets	427,356
Restricted	440,893
Unrestricted (Deficit)	<u>(2,366,025)</u>
Total Net Position	<u>\$ (1,497,776)</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Montessori Elementary
Statement of Activities
For The Year Ended June 30, 2015

Functions/Programs	Program Revenues				Net (Expenses) Revenues and Changes in Net Position
	Expenses	Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 1,694,040	171,597	128,632	-	(1,393,811)
Support Services:					
Students	167,233	-	-	-	(167,233)
General Administration	32,868	-	-	-	(32,868)
School Administration	116,217	-	-	-	(116,217)
Central Services	94,445	-	-	-	(94,445)
Operation & Maintenance of Plant Facilities Materials, Supplies & Other Services	478,176	-	-	-	(478,176)
	517,064	-	-	352,642	(164,422)
Total Governmental Activities	\$ 3,100,043	171,597	128,632	352,642	(2,447,172)
General Revenues:					
Property Taxes					\$ 323,697
State Equalization Guarantee					2,192,674
Total General Revenues					<u>2,516,371</u>
Change in Net Position					69,199
Net Position, Beginning of Year					737,766
Restatement					(2,304,741)
Net Position, as Restated					<u>(1,566,975)</u>
Net position, Ending					<u>\$ (1,497,776)</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Montessori Elementary
Balance Sheets - Governmental Funds
June 30, 2015

	Operational 11000	Instructional Materials 14000	Title I IASA 24101	IDEA-B Entitlement 24106
ASSETS				
Cash and Cash Equivalents	\$ 108,115	50,639	-	-
Accounts Receivable				
Due from Government	-	-	16,929	-
Due from Other Funds	16,929	-	-	-
Total Assets	\$ 125,044	50,639	16,929	-
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 7,376	-	-	-
Accrued Expenditures	118,959	-	-	-
Due to Other Funds	-	-	16,929	-
Total Liabilities	126,335	-	16,929	-
Fund Balances (Deficit)				
Fund Balance:				
Restricted for:				
Instruction	-	50,639	-	-
Capital Improvements	-	-	-	-
Unassigned (Deficit)	(1,291)	-	-	-
Total Fund Balance (Deficit)	(1,291)	50,639	-	-
Total Liabilities and Fund Balances	\$ 125,044	50,639	16,929	-

Public School Capital Outlay 31200	Special Capital Outlay State 31400	HB-33 Capital Improvements 31600	SB-9 Capital Improvements 31700	Total
-	-	311,704	73,015	543,473
-	-	3,852	1,683	22,464
-	-	-	-	16,929
-	-	315,556	74,698	582,866
-	-	-	-	7,376
-	-	-	-	118,959
-	-	-	-	16,929
-	-	-	-	143,264
-	-	-	-	50,639
-	-	315,556	74,698	390,254
-	-	-	-	(1,291)
-	-	315,556	74,698	439,602
-	-	315,556	74,698	582,866

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STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Montessori Elementary
Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
June 30, 2015

Fund Balance - Total Governmental Funds **\$ 439,602**

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

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

Capital Assets	520,046	
Accumulated Depreciation	(92,690)	
	427,356	427,356

Defined benefit pension plan deferred outflows are not
 financial resources and, therefore, are not reported in the
 funds.

412,665

Long-term liabilities are not due in the current period and,
 therefore, are not reported in the funds.

Net Pension Liability		(2,511,654)
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Defined benefit pension plan deferred inflows are not due and
 payable in the current period and, therefore, are not reported
 in the funds.

(265,745)

Net Position-Total Governmental Activities		<u><u>\$ (1,497,776)</u></u>
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STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Montessori Elementary
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit)
Governmental Funds
For The Year Ended June 30, 2015

	Operational 11000	Instructional Materials 14000	Title I IASA 24101	IDEA-B Entitlement 24106
REVENUES				
Property Taxes	\$ -	-	-	-
State Grant	2,192,674	27,747	-	-
Federal Grant	-	-	48,000	52,885
Charges for Services	171,597	-	-	-
Total Revenues	<u>2,364,271</u>	<u>27,747</u>	<u>48,000</u>	<u>52,885</u>
EXPENDITURES				
Current:				
Instruction	1,507,965	39,230	48,000	48,321
Support Services:				
Students	158,469	-	-	4,564
General Administration	32,868	-	-	-
School Administration	112,617	-	-	-
Central Services	92,045	-	-	-
Operation & Maintenance of Plant	476,977	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>2,380,941</u>	<u>39,230</u>	<u>48,000</u>	<u>52,885</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(16,670)</u>	<u>(11,483)</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>(16,670)</u>	<u>(11,483)</u>	<u>-</u>	<u>-</u>
Fund Balances(Deficit) - Beginning of Year	<u>15,379</u>	<u>62,122</u>	<u>-</u>	<u>-</u>
Fund Balances (Deficit) - End of Year	<u>\$ (1,291)</u>	<u>50,639</u>	<u>-</u>	<u>-</u>

Public School Capital Outlay 31200	Special Capital Outlay State 31400	HB-33 Capital Improvements 31600	SB-9 Capital Improvements 31700	Total
-	-	216,553	107,144	323,697
273,042	79,600	-	-	2,573,063
-	-	-	-	100,885
-	-	-	-	171,597
<u>273,042</u>	<u>79,600</u>	<u>216,553</u>	<u>107,144</u>	<u>3,169,242</u>
-	-	-	-	1,643,516
-	-	-	-	163,033
-	-	-	-	32,868
-	-	-	-	112,617
-	-	-	-	92,045
-	-	-	-	476,977
<u>273,042</u>	<u>79,600</u>	<u>28,836</u>	<u>134,266</u>	<u>515,744</u>
<u>273,042</u>	<u>79,600</u>	<u>28,836</u>	<u>134,266</u>	<u>3,036,800</u>
-	-	187,717	(27,122)	132,442
-	-	187,717	(27,122)	132,442
-	-	127,839	101,820	307,160
<u>-</u>	<u>-</u>	<u>315,556</u>	<u>74,698</u>	<u>439,602</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Montessori Elementary
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances (Deficit) of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2015

Net Change in Fund Balance -Total Governmental Funds **\$ 132,442**

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

Capital outlays to purchase or build capital assets are reported in
 governmental funds as expenditures. However, for governmental activities
 those costs are shown in the Statement of Net Position and allocated over
 their estimated useful lives as annual depreciation expenses in the
 Statement of Activities. This is the amount by which capital outlay exceeds
 depreciation for the period

Capital Outlays	13,696	
Depreciation Expense	<u>(16,946)</u>	(3,250)

The issuance of long-term debt (e.g., bonds, notes, leases) provide current
 financial resources to governmental funds, while the repayment of the
 principal of long-term debt consumes the current financial resources of
 governmental funds. Neither transaction, however, has any effect on net
 position.

Change in Net Pension Liability	<u>(59,993)</u>	
---------------------------------	-----------------	--

Change in Net Position-Total Governmental Activities **\$ 69,199**

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Montessori Elementary
 Statement of Fiduciary Assets and Liabilities- Agency Funds
 June 30, 2015

	<u>Agency</u>
ASSETS	
Cash in Bank	\$ 3,239
Total Assets	<u>\$ 3,239</u>
 LIABILITIES	
Deposits Held for Others	\$ 3,239
Total Liabilities	<u>\$ 3,239</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Montessori Elementary
 Schedule of Changes in Assets and Liabilities - Agency Funds
 For The Year Ended June 30, 2015

	<u>Balance</u> <u>July 1, 2014</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2015</u>
ASSETS				
Cash in Bank	\$ 3,105	195,107	194,973	3,239
Accounts Receivable	550	-	550	-
Total Assets	<u>\$ 3,655</u>	<u>195,107</u>	<u>195,523</u>	<u>3,239</u>
LIABILITIES				
Deposits Held for Others	\$ 3,655	195,107	195,523	3,239
Total Liabilities	<u>\$ 3,655</u>	<u>195,107</u>	<u>195,523</u>	<u>3,239</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Montessori Elementary
Notes to the Financial Statements
June 30, 2015

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Capital Assets. Equipment, software and computer equipment purchases 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. Montessori Elementary's capitalization policy (i.e., the dollar value above which the asset acquisitions are added to the capital accounts) is \$5,000. Montessori Elementary does not capitalize any interest with regard to its capital assets.

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

Furniture, Fixtures and Equipment	5 years
Buildings and Improvements	40 years

Capital assets for Montessori Elementary are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB's Fiduciary Net Position have been determined on the economic resources measurement focus and accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Montessori Elementary
Notes to the Financial Statements
June 30, 2015

NOTE 2. CAPITAL ASSETS

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

	<u>Balance</u> <u>June 30, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2015</u>
<i>Capital Assets being Depreciated:</i>				
Buildings and Improvements	\$ 483,997	13,696	-	497,693
Furniture, Fixtures and Equipment	22,353	-	-	22,353
<i>Total</i>	<u>506,350</u>	<u>13,696</u>	<u>-</u>	<u>520,046</u>
<i>Less: Accumulated Depreciation</i>				
Buildings and improvements	(53,391)	(16,946)	-	(70,337)
Furniture, fixtures and equipment	(22,353)	-	-	(22,353)
<i>Total</i>	<u>(75,744)</u>	<u>(16,946)</u>	<u>-</u>	<u>(92,690)</u>
Capital Assets, Net	<u>\$ 430,606</u>	<u>(3,250)</u>	<u>-</u>	<u>427,356</u>

Depreciation expensed for the year ended June 30, 2015 was expensed to the following functions:

Instruction	\$ 1,930
Operations/Plant Maintenance	15,016
Total	<u>\$ 16,946</u>

NOTE 3. COMMITMENTS AND CONTINGENCIES

A. Leases

The Montessori Elementary leased facilities under short-term cancelable operating leases. Rental expense for the year ended June 30, 2015 was \$571,667. The Montessori Elementary's minimum future payments on this lease are as follows:

Year Ending June 30:	
2016	\$ 600,000
Total operating lease payments	<u>\$ 600,000</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Montessori Elementary
Notes to the Financial Statements
June 30, 2015

NOTE 4. DEFICIT FUND BALANCE

The following fund had a deficit fund balance at June 30, 2015:

Operational – 11000	\$	1,291
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Montessori Elementary is addressing the negative fund balance and is planning on taking the appropriate actions to eliminate the negative balance.

NOTE 5. RELATED PARTY TRANSACTIONS

The Business Manager and his spouse operate a company that provided bookkeeping services for La Promesa Early Learning Center Foundation and the Gilbert Sena Charter High School.

The Principal's daughter is an employee of the school. The Nepotism Act was waived by governing council in FY 2008. This contract is reviewed and approved annually by the governing council.

NOTE 6. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to Montessori Elementary and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions. The contribution requirements of defined benefit plan members and Montessori Elementary are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year ended June 30, 2014 employers contributed 13.15% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.10% of their gross annual salary. For fiscal year ended June 30, 2015 employers contributed 13.90%, and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 contributed an increased amount of 10.70% of their gross annual salary. Contributions to the pension plan from Montessori Elementary were \$190,900 for the year ended June 30, 2015.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Montessori Elementary
Notes to the Financial Statements
June 30, 2015

NOTE 6. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2013. The total ERB pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2014, using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date June 30, 2014. At June 30, 2015, Montessori Elementary reported a liability of \$2,511,654 for its proportionate share of the net pension liability. Montessori Elementary's proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2014. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2014, Montessori Elementary's proportion was 0.04402% percent, which was an increase of 0.0000476% from its proportion measured as of June 30, 2013.

For the year ended June 30, 2015, Montessori Elementary recognized pension expense of \$250,893. At the June 30, 2015, Montessori Elementary reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	37,416
Changes in assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	228,329
Changes in proportion and differences between Montessori Elementary contributions and proportionate share of contributions	221,765	-
Montessori Elementary contributions subsequent to the measurement date	190,900	-
Total	\$ 412,665	265,745

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Montessori Elementary
Notes to the Financial Statements
June 30, 2015

NOTE 6. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

\$190,900 reported as deferred outflows of resources related to pensions resulting from Montessori Elementary contributions subsequent to the measurement date June 30, 2014 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2016	\$ (6,930)
2017	(6,930)
2018	751
2019	<u>57,089</u>
Total	<u>\$ 43,980</u>

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

	<u>1% Decrease (6.75%)</u>	<u>Current Discount Rate (7.75%)</u>	<u>1% Increase (8.75%)</u>
Montessori Elementary's proportionate share of the net pension liability	<u>\$ 3,417,397</u>	<u>2,511,654</u>	<u>1,755,175</u>

NOTE 7. RESTATEMENT

As a result of implementation of GASB Statement 68, *Accounting and Financial Reporting for Pensions*, net position was restated in the amount of \$(2,304,741).

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Montessori Elementary
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2015

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.04%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 2,512	-	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 1,213	-	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	207.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30, 2014

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Montessori Elementary
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2015

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 160	-	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	160	-	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ -	-	-	-	-	-	-	-	-	-

Year	Total Amount Deferred	Amortization Years	Increase (Decrease) in Pension Expense over Recognition Periods											
			2015	2016	2017	2018	2019	2020	2021	2022	2023	2024		
2014	\$ 44	5	\$ (7)	(7)	1	57	-	-	-	-	-	-	-	-
2015	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2016	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2017	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2018	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2019	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2020	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2021	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2022	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2023	-	5	-	-	-	-	-	-	-	-	-	-	-	-
	\$ 44		\$ (7)	(7)	1	57	-	-	-	-	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Montessori Elementary
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 2,191,580	2,192,674	2,192,674	-
Charges for Services	111,597	233,597	171,597	(62,000)
Total Revenues	<u>2,303,177</u>	<u>2,426,271</u>	<u>2,364,271</u>	<u>(62,000)</u>
EXPENDITURES				
Current:				
Instruction	1,435,198	1,546,116	1,508,093	38,023
Support Services:				
Students	151,756	151,756	158,469	(6,713)
General Administration	25,000	25,000	28,652	(3,652)
School Administration	100,401	100,401	112,617	(12,216)
Central Services	91,488	91,488	92,045	(557)
Operation & Maintenance of Plant	529,334	529,334	476,134	53,200
Total Expenditures	<u>2,333,177</u>	<u>2,444,095</u>	<u>2,376,010</u>	<u>68,085</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(30,000)</u>	<u>(17,824)</u>	<u>(11,739)</u>	<u>6,085</u>
Net Changes in Fund Balances	<u>(30,000)</u>	<u>(17,824)</u>	<u>(11,739)</u>	<u>6,085</u>
Cash or Fund Balances - Beginning of Year	<u>116,126</u>	<u>116,126</u>	<u>116,126</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ 86,126</u>	<u>98,302</u>	<u>104,387</u>	<u>6,085</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (11,739)	
Adjustments to Expenditures			<u>(4,931)</u>	
NET CHANGE IN FUND BALANCE			<u>\$ (16,670)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Montessori Elementary
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 18,806	18,806	27,747	8,941
Total Revenues	<u>18,806</u>	<u>18,806</u>	<u>27,747</u>	<u>8,941</u>
EXPENDITURES				
Current:				
Instruction	39,230	39,230	39,230	-
Total Expenditures	<u>39,230</u>	<u>39,230</u>	<u>39,230</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(20,424)</u>	<u>(20,424)</u>	<u>(11,483)</u>	<u>8,941</u>
Net Changes in Fund Balances	<u>(20,424)</u>	<u>(20,424)</u>	<u>(11,483)</u>	<u>8,941</u>
Cash or Fund Balances - Beginning of Year	<u>62,122</u>	<u>62,122</u>	<u>62,122</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ 41,698</u>	<u>41,698</u>	<u>50,639</u>	<u>8,941</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (11,483)	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (11,483)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Montessori Elementary
Schedule of Budgetary Comparisons - Budgetary Basis
Title I IASA 24101
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 48,168	48,047	48,000	(47)
Total Revenues	<u>48,168</u>	<u>48,047</u>	<u>48,000</u>	<u>(47)</u>
EXPENDITURES				
Current:				
Instruction	48,168	48,047	48,000	47
Total Expenditures	<u>48,168</u>	<u>48,047</u>	<u>48,000</u>	<u>47</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Montessori Elementary
 Schedule of Budgetary Comparisons - Budgetary Basis
 IDEA-B Entitlement 24106
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 53,746	87,349	52,885	(34,464)
Total Revenues	<u>53,746</u>	<u>87,349</u>	<u>52,885</u>	<u>(34,464)</u>
EXPENDITURES				
Current:				
Instruction	29,000	62,603	48,321	14,282
Support Services:				
Students	24,746	24,746	4,564	20,182
Total Expenditures	<u>53,746</u>	<u>87,349</u>	<u>52,885</u>	<u>34,464</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
Net Changes in Fund Balances	-	-	-	-
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Montessori Elementary
Schedule of Budgetary Comparisons - Budgetary Basis
Public School Capital Outlay 31200
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	273,042	273,042	-
Total Revenues	-	273,042	273,042	-
EXPENDITURES				
Capital Outlay	-	273,042	273,042	-
Total Expenditures	-	273,042	273,042	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
Net Changes in Fund Balances	-	-	-	-
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	-	-
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Montessori Elementary
 Schedule of Budgetary Comparisons - Budgetary Basis
 Special Capital Outlay State 31400
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 115,000	115,000	79,600	(35,400)
Total Revenues	<u>115,000</u>	<u>115,000</u>	<u>79,600</u>	<u>(35,400)</u>
EXPENDITURES				
Capital Outlay	115,000	115,000	79,600	35,400
Total Expenditures	<u>115,000</u>	<u>115,000</u>	<u>79,600</u>	<u>35,400</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
Net Changes in Fund Balances	-	-	-	-
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Montessori Elementary
Schedule of Budgetary Comparisons - Budgetary Basis
HB-33 Capital Improvements 31600
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Property Taxes	\$ 218,176	218,176	217,833	(343)
Total Revenues	<u>218,176</u>	<u>218,176</u>	<u>217,833</u>	<u>(343)</u>
EXPENDITURES				
Current:				
Support Services:				
General Administration	2,182	2,182	-	2,182
Capital Outlay	315,108	315,108	28,836	286,272
Total Expenditures	<u>317,290</u>	<u>317,290</u>	<u>28,836</u>	<u>288,454</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(99,114)</u>	<u>(99,114)</u>	<u>188,997</u>	<u>288,111</u>
Net Changes in Fund Balances	<u>(99,114)</u>	<u>(99,114)</u>	<u>188,997</u>	<u>288,111</u>
Cash or Fund Balances - Beginning of Year	<u>122,707</u>	<u>122,707</u>	<u>122,707</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ 23,593</u>	<u>23,593</u>	<u>311,704</u>	<u>288,111</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 188,997	
Adjustments to Revenues			(1,300)	
Adjustments to Expenditures			20	
NET CHANGE IN FUND BALANCE			<u>\$ 187,717</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Montessori Elementary
Schedule of Budgetary Comparisons - Budgetary Basis
SB-9 Capital Improvements 31700
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Property Taxes	\$ 109,203	109,203	105,489	(3,714)
State Grant	27,935	27,935	-	(27,935)
Total Revenues	<u>137,138</u>	<u>137,138</u>	<u>105,489</u>	<u>(31,649)</u>
EXPENDITURES				
Current:				
Capital Outlay	137,138	137,138	134,266	2,872
Total Expenditures	<u>137,138</u>	<u>137,138</u>	<u>134,266</u>	<u>2,872</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(28,777)	(28,777)
Net Changes in Fund Balances	-	-	(28,777)	(28,777)
Cash or Fund Balances - Beginning of Year	101,792	101,792	101,792	-
Cash or Fund Balances - End of Year	<u>\$ 101,792</u>	<u>101,792</u>	<u>73,015</u>	<u>(28,777)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (28,777)	
Adjustments to Revenues			<u>1,655</u>	
NET CHANGE IN FUND BALANCE			<u>\$ (27,122)</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Montessori Elementary
Schedule of Collateral Pledged by Depository for Public Funds
June 30, 2015

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2015</u>
Wells Fargo	FG C91714	3128P73X9	7/1/2033	\$ 91,232
Wells Fargo	FN AR9199	3138W7GH1	3/1/2043	14,081
Wells Fargo	FN AT8139	3138WWBH1	8/1/2043	53,532
Wells Fargo	FN AB6309	3147DAK9	9/1/2042	9,052
Wells Fargo	FN MA1029	3148AEB0	3/1/2032	28,152
				<u>\$ 196,049</u>
Total Cash per Schedule of Cash Accounts:				\$ 557,993
Less: FDIC coverage:				<u>(250,000)</u>
Uninsured Public Funds:				307,993
Collateral Requirement:				153,997
Pledged Collateral Held by Pledging Financial Institution:				<u>196,049</u>
Balance Over Collateralized:				<u>\$ 42,052</u>
Balance Uninsured and Uncollateralized at June 30, 2015:				<u>\$ 111,944</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Montessori Elementary
 Schedule of Cash Accounts
 June 30, 2015

<u>Bank Account Type</u>	<u>Wells Fargo</u>
Checking - Operational Account	<u>\$ 557,993</u>
Total on Deposit	557,993
Reconciling Items	<u>(11,281)</u>
Reconciled Balance June 30, 2015	<u>546,712</u>
Less Agency Funds	<u>(3,239)</u>
Total Cash	<u><u>\$ 543,473</u></u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Montessori Elementary
Cash Reconciliation
June 30, 2015

	Operational 11000	Instructional Materials 14000	Non-Instruct. Fund 23000	Federal Projects Account 24000
Cash, June 30, 2014	\$ 17,824	62,122	3,106	-
Add:				
2014-15 revenues	<u>2,364,271</u>	<u>27,747</u>	<u>195,107</u>	<u>83,956</u>
Total Cash Available	2,382,095	89,869	198,213	83,956
Less:				
2014-15 expenditures	(2,376,011)	(39,230)	(194,974)	(100,885)
Receivables/Payables	34,736	-	-	
Outstanding Loans	<u>(16,929)</u>	<u>-</u>	<u>-</u>	<u>16,929</u>
Cash June 30, 2015	<u>23,891</u>	<u>50,639</u>	<u>3,239</u>	<u>-</u>
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	<u>84,224</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash Per Books	<u>108,115</u>	<u>50,639</u>	<u>3,239</u>	<u>-</u>
Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	<u>(109,406)</u>	<u>-</u>	<u>(3,239)</u>	<u>-</u>
Fund Balance (Deficit), Modified Accrual Basis	<u>\$ (1,291)</u>	<u>50,639</u>	<u>-</u>	<u>-</u>

Public School Capital Outlay 31200	Special Capital Outlay State 31400	HB-33 Capital Improvements 31600	SB-9 Capital Improvements 31700	Total
-	-	122,707	101,792	307,551
<u>273,042</u>	<u>79,600</u>	<u>217,833</u>	<u>105,489</u>	<u>3,347,045</u>
273,042	79,600	340,540	207,281	3,654,596
(273,042)	(79,600)	(28,836)	(134,266)	(3,226,844)
-	-	-	-	34,736
<u>-</u>	<u>-</u>	<u>311,704</u>	<u>73,015</u>	<u>462,488</u>
-	-	-	-	84,224
<u>-</u>	<u>-</u>	<u>311,704</u>	<u>73,015</u>	<u>546,712</u>
Less: Activity Funds Per Schedule of Changes in Assets and Liabilities- Agency Fund:				(3,239)
				<u>\$ 543,473</u>
-	-	3,852	1,683	(107,110)
<u>-</u>	<u>-</u>	<u>315,556</u>	<u>74,698</u>	<u>439,602</u>
Balance Sheets - Governmental Funds:				<u>\$ 439,602</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New America School
Statement of Net Position
June 30, 2015

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 827,477
Receivables	
Due from Other Governments	73,664
Total Current Assets	<u>901,141</u>

Noncurrent Assets:

Capital Assets	
Building	2,636,589
Furniture, Fixtures, and Equipment	68,000
Building Improvements	85,055
Vehicles	39,507
Less: Accumulated Depreciation	(626,142)
Total Noncurrent Assets	<u>2,203,009</u>

Total Assets	<u>3,104,150</u>
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Deferred Outflows - Pension Related	<u>180,344</u>
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LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accounts Payable	17,998
Accrued Liabilities	141,302
Current portion of capital lease obligation	164,320
Total Current Liabilities	<u>323,620</u>

Noncurrent Liabilities:

Noncurrent portion of capital lease obligation	2,027,011
Net Pension Liability	2,386,698
Total Noncurrent Liabilities	<u>4,413,709</u>

Total Liabilities	<u>4,737,329</u>
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Deferred Inflows - Pension Related	<u>252,520</u>
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NET POSITION

Net Investment in Capital Assets	11,678
Restricted	212,998
Unrestricted Deficit	(1,930,031)
Total Net Position	<u>\$ (1,705,355)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New America School
Statement of Activities
For The Year Ended June 30, 2015

Functions/Programs	Program Revenues				Net (Expenses) Revenues and Changes in Net Position
	Expenses	Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 969,373	-	175,687	-	(793,686)
Support Services:					
Students	62,613	-	-	-	(62,613)
Instruction	19,930	-	-	-	(19,930)
General Administration	85,565	-	-	-	(85,565)
School Administration	363,894	-	-	-	(363,894)
Central Services	273,393	-	-	-	(273,393)
Operation & Maintenance of Plant	545,180	-	-	-	(545,180)
Student Transportation	7,439	-	-	-	(7,439)
Food Services	75,718	194	81,523	-	5,999
Facilities Materials, Supplies & Other Services	535,598	-	-	284,143	(251,455)
Total Governmental Activities	\$ 2,938,703	194	257,210	284,143	(2,397,156)
General Revenues:					
Property Taxes					\$ 118,664
State Equalization Guarantee					2,353,757
Miscellaneous					27,960
Total General Revenues					<u>2,500,381</u>
Change in Net Position					103,225
Net Position, Beginning					630,887
Restatement Recognized by GASB 68					<u>(2,439,467)</u>
Net position, as Restated					<u>(1,808,580)</u>
Net position, Ending					<u>\$ (1,705,355)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New America School
Balance Sheets - Governmental Funds
June 30, 2015

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101
ASSETS				
Cash and Cash Equivalents	\$ 616,262	29,841	12,714	-
Accounts Receivable				
Due from Government	21,999	-	-	17,336
Due from Other Funds	34,942	-	-	-
Total Assets	\$ 673,203	29,841	12,714	17,336
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 17,998	-	-	-
Accrued Expenditures	126,362	-	-	8,159
Due to Other Funds	-	-	-	9,177
Total Liabilities	144,360	-	-	17,336
Fund Balances				
Fund Balance:				
Restricted for:				
Instruction	-	29,841	-	-
Food Services	-	-	12,714	-
Capital Improvements	-	-	-	-
Assigned to:				
Subsequent Years Expenditures and Other Programs	528,843	-	-	-
Total Fund Balance	528,843	29,841	12,714	-
Total Liabilities and Fund Balances	\$ 673,203	29,841	12,714	17,336

The accompanying notes are an integral part of these financial statements

IDEA-B Entitlement 24106	English Language Acquisition 24153	CNM Foundation 26207	Dual Credit Instructional Materials 27103	2012 GO Bond Student Library SB-66 27107	Public School Capital Outlay 31200
-	-	-	-	-	2
17,865	11,223	-	-	3,458	-
-	-	-	-	-	-
<u>17,865</u>	<u>11,223</u>	<u>-</u>	<u>-</u>	<u>3,458</u>	<u>2</u>
-	-	-	-	-	-
6,128	653	-	-	-	-
<u>11,737</u>	<u>10,570</u>	<u>-</u>	<u>-</u>	<u>3,458</u>	<u>-</u>
<u>17,865</u>	<u>11,223</u>	<u>-</u>	<u>-</u>	<u>3,458</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	2
-	-	-	-	-	-
-	-	-	-	-	2
<u>17,865</u>	<u>11,223</u>	<u>-</u>	<u>-</u>	<u>3,458</u>	<u>2</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New America School
Balance Sheets - Governmental Funds (Continued)
June 30, 2015

	SB-9 Capital Improvements 31700	Total
	<u>31700</u>	<u>Total</u>
ASSETS		
Cash and Cash Equivalents	\$ 168,658	827,477
Accounts Receivable		
Due from Government	1,783	73,664
Due from Other Funds	-	34,942
	<u> </u>	<u> </u>
Total Assets	<u>\$ 170,441</u>	<u>936,083</u>
LIABILITIES AND FUND BALANCES		
<i>Liabilities:</i>		
Accounts Payable	\$ -	17,998
Accrued Expenditures	-	141,302
Due to Other Funds	-	34,942
	<u> </u>	<u> </u>
Total Liabilities	<u>-</u>	<u>194,242</u>
<i>Fund Balances (Deficit)</i>		
Fund Balance:		
Restricted for:		
Instruction	-	29,841
Food Services	-	12,714
Capital Improvements	170,441	170,443
Assigned to:		
Subsequent Years Expenditures and Other Programs	-	528,843
	<u> </u>	<u> </u>
Total Fund Balance (Deficit)	<u>170,441</u>	<u>741,841</u>
Total Liabilities and Fund Balances (Deficit)	<u>\$ 170,441</u>	<u>936,083</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 New America School
 Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
 June 30, 2015

Fund Balance - Total Governmental Funds	\$	741,841
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
Capital Assets	2,829,151	
Accumulated Depreciation	<u>(626,142)</u>	
		2,203,009
Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds.		
		180,344
The capital lease obligation is not due in the current period and, therefore, is not reported in the funds.		
		(2,191,331)
Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds.		
		(252,520)
The net pension liability is not due and payable in the current period and, therefore, is not reported in the funds.		
		<u>(2,386,698)</u>
Net Position-Total Governmental Activities	\$	<u>(1,705,355)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New America School
Statement of Revenues, Expenditures, and Changes In Fund Balances
Governmental Funds
For The Year Ended June 30, 2015

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101
REVENUES				
Property Taxes	\$ -	-	-	-
Local & County Grant	1,000	-	-	-
State Grant	2,353,757	28,743	-	-
Federal Grant	-	-	81,523	80,292
Charges for Services	-	-	194	-
Miscellaneous Income	16,435	-	-	-
Total Revenues	<u>2,371,192</u>	<u>28,743</u>	<u>81,717</u>	<u>80,292</u>
EXPENDITURES				
Current:				
Instruction	800,959	40,743	-	77,075
Support Services:				
Students	54,119	-	-	-
Instruction	16,472	-	-	-
General Administration	85,565	-	-	-
School Administration	341,036	-	-	3,217
Central Services	271,608	-	-	-
Operation & Maintenance of Plant	702,230	-	-	-
Student Transportation	1,464	-	-	-
Food Services Operations	-	-	75,466	-
Capital Outlay	41,001	-	-	-
Total Expenditures	<u>2,314,454</u>	<u>40,743</u>	<u>75,466</u>	<u>80,292</u>
Net Changes in Fund Balances	<u>56,738</u>	<u>(12,000)</u>	<u>6,251</u>	<u>-</u>
Fund Balances - Beginning of Year	<u>472,105</u>	<u>41,841</u>	<u>6,463</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ 528,843</u>	<u>29,841</u>	<u>12,714</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements

IDEA-B Entitlement 24106	English Language Acquisition 24153	CNM Foundation 26207	Dual Credit Instructional Materials 27103	2012 GO Bond Student Library SB-66 27107	Public School Capital Outlay 31200
-	-	-	-	-	-
-	-	1,000	-	-	-
-	-	-	1,575	3,458	284,143
43,676	15,943	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>43,676</u>	<u>15,943</u>	<u>1,000</u>	<u>1,575</u>	<u>3,458</u>	<u>284,143</u>
35,570	377	1,000	1,575	-	-
8,106	-	-	-	-	-
-	-	-	-	3,458	-
-	-	-	-	-	-
-	15,566	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	284,141
<u>43,676</u>	<u>15,943</u>	<u>1,000</u>	<u>1,575</u>	<u>3,458</u>	<u>284,141</u>
-	-	-	-	-	2
-	-	-	-	-	-
-	-	-	-	-	2

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New America School
Statement of Revenues, Expenditures, and Changes In Fund Balances - (Continued)
Governmental Funds
For The Year Ended June 30, 2015

	SB-9 Capital Improvements 31700	Total
REVENUES		
Property Taxes	\$ 118,664	118,664
Local & County Grant	-	2,000
State Grant	-	2,671,676
Federal Grant	-	221,434
Charges for Services	-	194
Miscellaneous Income	11,525	27,960
Total Revenues	<u>130,189</u>	<u>3,041,928</u>
EXPENDITURES		
Current:		
Instruction	-	957,299
Support Services:		
Students	-	62,225
Instruction	-	19,930
General Administration	-	85,565
School Administration	-	359,819
Central Services	-	271,608
Operation & Maintenance of Plant	-	702,230
Student Transportation	-	1,464
Food Services Operations	-	75,466
Capital Outlay	76,656	401,798
Total Expenditures	<u>76,656</u>	<u>2,937,404</u>
Net Changes in Fund Balances	<u>53,533</u>	<u>104,524</u>
Fund Balances - Beginning of Year	<u>116,908</u>	<u>637,317</u>
Fund Balances - End of Year	<u>\$ 170,441</u>	<u>741,841</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New America School
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2015

Net Change in Fund Balances-Total Governmental Funds **\$ 104,524**

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

Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the Statement of Net Position and allocated over their estimated useful lives as annual depreciation expenses in the Statement of Activities. This is the amount by which capital outlay exceeds depreciation for the period

Capital Outlays	41,001	
Depreciation Expense	<u>(190,598)</u>	(149,597)

Principal payments of the capital lease obligation		167,705
--	--	---------

Changes in long-term liabilities		
Change in Net Pension Liability		<u>(19,407)</u>

Change in Net Position-Total Governmental Activities **\$ 103,225**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 New America School
 Statement of Fiduciary Assets and Liabilities- Agency Funds
 June 30, 2015

	<u>Agency</u>
ASSETS	
Cash in Bank	\$ 2,444
Total Assets	<u>\$ 2,444</u>
 LIABILITIES	
Deposits Held for Others	\$ 2,444
Total Liabilities	<u>\$ 2,444</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 New America School
 Schedule of Changes in Assets and Liabilities - Agency Funds
 For The Year Ended June 30, 2015

	<u>Balance</u> <u>July 1, 2014</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2015</u>
ASSETS				
Cash in Bank	\$ 732	6,238	(4,526)	2,444
Total Assets	<u>\$ 732</u>	<u>6,238</u>	<u>(4,526)</u>	<u>2,444</u>
LIABILITIES				
Deposits Held for Others	\$ 732	6,238	(4,526)	2,444
Total Liabilities	<u>\$ 732</u>	<u>6,238</u>	<u>(4,526)</u>	<u>2,444</u>

The accompanying notes are an integral part of these financial statements

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Capital Assets. Capital assets purchased or acquired are 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. New America School's capitalization policy (i.e., the dollar value above which the asset acquisitions are added to the capital accounts) is \$5,000. New America School does not capitalize any interest with regard to its capital assets.

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

Furniture, Fixtures and Equipment	3 years
Building	15 years
Buildings and Improvements	3-5 years
Vehicles	5 years

Capital assets for New America School are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB's Fiduciary Net Position have been determined on the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New America School
Notes to the Financial Statements
June 30, 2015

NOTE 2. CAPITAL ASSETS

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

	<u>Balance</u> <u>June 30, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2015</u>
<i>Capital Assets being Depreciated:</i>				
Furniture, Fixtures and Equipment	\$ 68,000	-	-	68,000
Building	2,636,589	-	-	2,636,589
Building Improvements	50,968	34,087	-	85,055
Vehicles	32,593	6,914	-	39,507
<i>Total</i>	<u>2,788,150</u>	<u>41,001</u>	<u>-</u>	<u>2,829,151</u>
<i>Less: Accumulated Depreciation</i>				
Furniture, fixtures and equipment	(68,000)	-	-	(68,000)
Building	(305,902)	(174,801)	-	(480,703)
Building Improvements	(35,023)	(9,793)	-	(44,816)
Vehicles	(26,619)	(6,004)	-	(32,623)
<i>Total</i>	<u>(435,544)</u>	<u>(190,598)</u>	<u>-</u>	<u>(626,142)</u>
Capital Assets, Net	<u>\$ 2,352,606</u>	<u>(149,597)</u>	<u>-</u>	<u>2,203,009</u>

Depreciation expensed for the year ended June 30, 2015 was expensed to the following functions:

Instruction	\$ 914
Operation & Maintenance of Plant	8,908
Student Transportation	5,975
Facilities, Materials, Supplies & Other Services	174,801
Total	<u>\$ 190,598</u>

NOTE 3. COMMITMENTS AND LIABILITIES

Beginning September 2012, New America School converted the operating lease for the building to a capital lease with the landlord, CSDCPC NAS, LLC. The lease passes title to New America School at the end of the lease term and there is a bargain purchase option. The following is an analysis of the leased property under capital leases by major class:

<u>Classes of Property</u>	<u>Asset Balance</u>
Building	\$ 2,636,589
Less: Accumulated amortization	(480,703)
	<u>\$ 2,155,886</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New America School
Notes to the Financial Statements
June 30, 2015

NOTE 3. COMMITMENTS AND LIABILITIES (CONTINUED)

The following is a schedule of future minimum lease payments under capital leases together with the present value of the net minimum lease payments as of June 30, 2015:

	Principal	Interest	Total
2016	\$ 164,320	233,985	398,305
2017	183,426	214,879	398,305
2018	133,245	195,825	329,070
2019	110,969	183,484	294,453
2020	123,872	170,581	294,453
2021-2025	871,955	600,313	1,472,268
2026-2030	603,544	83,959	687,503
Total	<u>\$ 2,191,331</u>	<u>1,683,026</u>	<u>3,874,357</u>

The total outstanding principal balance under this capital lease is reflected on the statement of net position as current and noncurrent portions of long-term debt of \$164,320 and \$2,027,011, respectively.

NOTE 4. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to New America School and does not include general disclosure information pertaining to the New Mexico Educational Employees’ Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions. The contribution requirements of defined benefit plan members and New America School are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year ended June 30, 2014, employers contributed 13.15% of employees’ gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.10% of their gross annual salary.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New America School
Notes to the Financial Statements
June 30, 2015

NOTE 4. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

For fiscal year ended June 30, 2015 employers contributed 13.90% and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 contributed an increased amount of 10.70% of their gross annual salary. Contributions to the pension plan from New America School were \$154,727 for the year ended June 30, 2015.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2013. The total ERB pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2014, using generally accepted actuarial principles. Therefore, the employer’s portion was established as of the measurement date of June 30, 2014. At June 30, 2015, New America School reported a liability of \$2,386,698 for its proportionate share of the net pension liability. New America School’s proportion of the net pension liability is based on the employer contributing entity’s percentage of total employer contributions for the fiscal year ended June 30, 2014. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2014, New America School’s proportion was 0.04183%, which was an increase of 0.00055% from its proportion measured as of June 30, 2013.

For the year ended June 30, 2015, New America School recognized pension expense of \$174,134. At June 30, 2015, New America School reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 35,554
Net difference between projected and actual earnings on pension plan investments	-	216,966
Changes in proportion and differences between New America School contributions and proportionate share of contributions	25,617	-
New America School contributions subsequent to the measurement date	<u>154,727</u>	<u>-</u>
Total	<u>\$ 180,344</u>	<u>252,520</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New America School
Notes to the Financial Statements
June 30, 2015

NOTE 4. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

The amount of \$154,727 reported as deferred outflows of resources related to pensions resulting from New America School contributions subsequent to the measurement date of June 30, 2014 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2016	\$	57,691
2017		57,691
2018		57,277
2019		<u>54,244</u>
Total	\$	<u>226,903</u>

Sensitivity of New America School’s proportionate share of the net pension liability to changes in the discount rate. The following table shows the sensitivity of the net pension liability to changes in the discount rate as of June 30, 2014. In particular, the table presents the (employer’s) net pension liability under the current single rate assumption, as if it were calculated using a discount rate one percentage point lower (6.75%) or one percentage point higher (8.75%) than the single discount rate.

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
The School’s proportionate share of the net pension liability	<u>\$ 3,247,380</u>	<u>2,386,698</u>	<u>1,667,827</u>

Payables to the pension plan. At June 30, 2015, New America School owed \$40,122 to ERB for fiscal year 2015 contributions.

NOTE 5. RESTATEMENT

As a result of implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, net position at June 30, 2014 was restated in the amount of ~~\$(2,439,467)~~.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
NEW AMERICA SCHOOL
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2015

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.04%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 2,387	-	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 1,153	-	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	207.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30, 2014

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
NEW AMERICA SCHOOL
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2015

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 152	-	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	152	-	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ -	-	-	-	-	-	-	-	-	-

Year	Total Amount Deferred	Amortization Years	Increase (Decrease) in Pension Expense over Recognition Periods										
			2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	
2014	\$ 227	5	\$ 58	58	58	57	54	-	-	-	-	-	-
2015	-	5	-	-	-	-	-	-	-	-	-	-	-
2016	-	5	-	-	-	-	-	-	-	-	-	-	-
2017	-	5	-	-	-	-	-	-	-	-	-	-	-
2018	-	5	-	-	-	-	-	-	-	-	-	-	-
2019	-	5	-	-	-	-	-	-	-	-	-	-	-
2020	-	5	-	-	-	-	-	-	-	-	-	-	-
2021	-	5	-	-	-	-	-	-	-	-	-	-	-
2022	-	5	-	-	-	-	-	-	-	-	-	-	-
2023	-	5	-	-	-	-	-	-	-	-	-	-	-
	\$ 227		\$ 58	58	58	57	54	-	-	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New America School
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Local & County Grant	\$ -	-	1,000	1,000
State Grant	2,329,264	2,353,757	2,353,757	-
Miscellaneous	23,000	23,000	27,431	4,431
Total Revenues	2,352,264	2,376,757	2,382,188	5,431
EXPENDITURES				
Current:				
Instruction	1,115,180	1,058,176	802,641	255,535
Support Services:				
Students	80,600	103,183	54,119	49,064
Instruction	12,000	25,767	16,472	9,295
General Administration	66,223	111,029	83,942	27,087
School Administration	340,940	361,566	341,036	20,530
Central Services	268,609	293,738	271,608	22,130
Operation & Maintenance of Plant	834,531	869,817	746,443	123,374
Student Transportation	1,500	2,200	1,464	736
Food Services Operations	18,119	18,855	-	18,855
Capital outlay	-	4,500	3,396	1,104
Total Expenditures	2,737,702	2,848,831	2,321,121	527,710
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	(385,438)	(472,074)	61,067	533,141
Other Financing Sources (Uses):				
Designated Cash	385,438	472,074	-	(472,074)
Total Other Financing Sources (Uses):	385,438	472,074	-	(472,074)
Net Changes in Fund Balances	-	-	61,067	61,067
Cash or Fund Balances - Beginning of Year	-	-	472,105	472,105
Cash or Fund Balances - End of Year	\$ -	-	533,172	533,172
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 61,067	
Adjustments to Revenues			(10,996)	
Adjustments to Expenditures			6,667	
NET CHANGE IN FUND BALANCE			\$ 56,738	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New America School
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 20,296	23,003	28,743	5,740
Total Revenues	<u>20,296</u>	<u>23,003</u>	<u>28,743</u>	<u>5,740</u>
EXPENDITURES				
Current:				
Instruction	61,258	64,844	40,743	24,101
Total Expenditures	<u>61,258</u>	<u>64,844</u>	<u>40,743</u>	<u>24,101</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(40,962)</u>	<u>(41,841)</u>	<u>(12,000)</u>	<u>29,841</u>
Other Financing Sources (Uses):				
Designated Cash	40,962	41,841	-	(41,841)
Total Other Financing Sources (Uses):	<u>40,962</u>	<u>41,841</u>	<u>-</u>	<u>(41,841)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(12,000)</u>	<u>(12,000)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>41,841</u>	<u>41,841</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>29,841</u>	<u>29,841</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (12,000)	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (12,000)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 New America School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Food Services 21000
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 76,240	92,922	81,523	(11,399)
Charges for Services	-	-	194	194
Total Revenues	<u>76,240</u>	<u>92,922</u>	<u>81,717</u>	<u>(11,205)</u>
EXPENDITURES				
Current:				
Food Services Operations	76,240	92,922	75,466	17,456
Total Expenditures	<u>76,240</u>	<u>92,922</u>	<u>75,466</u>	<u>17,456</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	6,251	6,251
Net Changes in Fund Balances	-	-	6,251	6,251
Cash or Fund Balances - Beginning of Year	-	-	6,463	6,463
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>12,714</u>	<u>12,714</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 6,251	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 6,251</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New America School
Schedule of Budgetary Comparisons - Budgetary Basis
Title I IASA 24101
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 83,319	101,606	104,895	3,289
Total Revenues	<u>83,319</u>	<u>101,606</u>	<u>104,895</u>	<u>3,289</u>
EXPENDITURES				
Current:				
Instruction	83,319	98,344	77,075	21,269
Support Services:				
School Administration	-	3,262	3,217	45
Total Expenditures	<u>83,319</u>	<u>101,606</u>	<u>80,292</u>	<u>21,314</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>24,603</u>	<u>24,603</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>24,603</u>	<u>24,603</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>24,603</u>	<u>24,603</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 24,603	
Adjustments to Revenues			(24,603)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New America School
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Entitlement 24106
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ -	144,111	49,829	(94,282)
Total Revenues	<u>-</u>	<u>144,111</u>	<u>49,829</u>	<u>(94,282)</u>
EXPENDITURES				
Current:				
Instruction	-	113,111	35,570	77,541
Support Services:				
Students	-	31,000	8,106	22,894
Total Expenditures	<u>-</u>	<u>144,111</u>	<u>43,676</u>	<u>100,435</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>6,153</u>	<u>6,153</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>6,153</u>	<u>6,153</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>6,153</u>	<u>6,153</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 6,153	
Adjustments to Revenues			(6,153)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 New America School
 Schedule of Budgetary Comparisons - Budgetary Basis
 English Language Acquisition 24153
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 17,328	32,532	12,463	(20,069)
Total Revenues	<u>17,328</u>	<u>32,532</u>	<u>12,463</u>	<u>(20,069)</u>
EXPENDITURES				
Current:				
Instruction	17,328	16,966	377	16,589
Support Services:				
School Administration	-	15,566	15,566	-
Total expenditures	<u>17,328</u>	<u>32,532</u>	<u>15,943</u>	<u>16,589</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(3,480)	(3,480)
Net changes in Fund Balances	-	-	(3,480)	(3,480)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances (Deficit) - End of Year	<u>\$ -</u>	<u>-</u>	<u>(3,480)</u>	<u>(3,480)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (3,480)	
Adjustments to Revenues			3,480	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 New America School
 Schedule of Budgetary Comparisons - Budgetary Basis
 CNM Foundation 26207
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Local & County Grant	\$ -	1,000	1,000	-
Total Revenues	<u>-</u>	<u>1,000</u>	<u>1,000</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	-	1,000	1,000	-
Total expenditures	<u>-</u>	<u>1,000</u>	<u>1,000</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New America School
Schedule of Budgetary Comparisons - Budgetary Basis
Dual Credit Instructional Materials 27103
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	2,083	1,575	(508)
Total Revenues	<u>-</u>	<u>2,083</u>	<u>1,575</u>	<u>(508)</u>
EXPENDITURES				
Current:				
Instruction	-	2,083	1,575	508
Total Expenditures	<u>-</u>	<u>2,083</u>	<u>1,575</u>	<u>508</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New America School
Schedule of Budgetary Comparisons - Budgetary Basis
2012 GO Bond Student Library SB-66 27107
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 3,458	3,458	-	(3,458)
Total Revenues	<u>3,458</u>	<u>3,458</u>	<u>-</u>	<u>(3,458)</u>
EXPENDITURES				
Current:				
Support Services:				
Instruction	3,458	3,458	3,458	-
Total Expenditures	<u>3,458</u>	<u>3,458</u>	<u>3,458</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(3,458)	(3,458)
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(3,458)</u>	<u>(3,458)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances (Deficit) - End of Year	<u>\$ -</u>	<u>-</u>	<u>(3,458)</u>	<u>(3,458)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (3,458)	
Adjustments to revenues			3,458	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 New America School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Public School Capital Outlay 31200
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	284,141	363,778	79,637
Total Revenues	<u>-</u>	<u>284,141</u>	<u>363,778</u>	<u>79,637</u>
EXPENDITURES				
Capital Outlay	-	284,141	284,141	-
Total Expenditures	<u>-</u>	<u>284,141</u>	<u>284,141</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	79,637	79,637
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>79,637</u>	<u>79,637</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>79,637</u>	<u>79,637</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 79,637	
Adjustments to Revenues			(79,635)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 2</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New America School
Schedule of Budgetary Comparisons - Budgetary Basis
SB-9 Capital Improvements 31700
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Property Taxes	\$ 136,934	136,934	116,881	(20,053)
State Grant	-	9,386	-	(9,386)
Total Revenues	<u>136,934</u>	<u>146,320</u>	<u>116,881</u>	<u>(29,439)</u>
EXPENDITURES				
Capital Outlay	259,961	269,347	76,656	192,691
Total Expenditures	<u>259,961</u>	<u>269,347</u>	<u>76,656</u>	<u>192,691</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(123,027)</u>	<u>(123,027)</u>	<u>40,225</u>	<u>163,252</u>
Other financing sources (uses):				
Designated Cash	116,908	116,908	-	(116,908)
Total other financing sources (uses):	<u>116,908</u>	<u>116,908</u>	<u>-</u>	<u>(116,908)</u>
Net Changes in Fund Balances	<u>(6,119)</u>	<u>(6,119)</u>	<u>40,225</u>	<u>46,344</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>116,908</u>	<u>116,908</u>
Cash or Fund Balances (Deficit) - End of Year	<u>\$ (6,119)</u>	<u>(6,119)</u>	<u>157,133</u>	<u>163,252</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 40,225	
Adjustments to Revenues			13,308	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 53,533</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New America School
Schedule of Collateral Pledged by Depository for Public Funds
June 30, 2015

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2015</u>
Wells Fargo Bank	FNMA FNMS	3138AMN35	11/1/2041	\$ 5,710
Wells Fargo Bank	FNMA FNMS	3138W7GH1	3/1/2043	23,013
Wells Fargo Bank	FNMA FNMS	3138W9A34	7/1/2043	35,627
Wells Fargo Bank	FNMA FNMS	3138WUUS0	9/1/2043	159,039
Wells Fargo Bank	FNMA FNMS	3138WWBH1	8/1/2043	53,152
Wells Fargo Bank	FNMS 3.00 CL	3138WXSS7	7/1/2043	18,662
Wells Fargo Bank	FNMA FNMS	3138X3XU1	9/1/2043	63,134
Wells Fargo Bank	FNMA FNMS	31417AKP3	11/1/2026	29,232
				\$ 387,569

Total Cash in Bank per Schedule of Cash Accounts:	\$ 834,779
Less: FDIC coverage:	(250,000)
Uninsured Public Funds:	584,779
Collateral Requirement:	292,390
Pledged Collateral Held by Pledging Financial Institution:	387,569
Balance Over Collateralized:	\$ 95,179
Balance Uninsured and Uncollateralized at June 30, 2015:	\$ 197,210

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 New America School
 Schedule of Cash Accounts
 June 30, 2015

<u>Bank Account Type</u>	<u>Wells Fargo</u>
Checking - Operational Account	\$ 831,799
Checking - Activity Account	<u>2,980</u>
Total on Deposit	834,779
Reconciling Items	<u>(4,858)</u>
Reconciled Balance June 30, 2015	<u>829,921</u>
Less Agency Funds	<u>(2,444)</u>
Total Cash	<u><u>\$ 827,477</u></u>

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New America School
Cash Reconciliation
June 30, 2015

	Operational 11000	Instructional Materials 14000	Food Services 21000	Non-Instruct. Fund 23000
Cash, June 30, 2014	\$ 429,667	41,841	6,463	732
Add:				
2014-15 revenues	<u>2,382,188</u>	<u>28,743</u>	<u>81,717</u>	<u>6,238</u>
Total Cash Available	2,811,855	70,584	88,180	6,970
Less:				
2014-15 expenditures	(2,321,121)	(40,743)	(75,466)	(4,526)
Receivables/Payables	11,569	-	-	-
Outstanding Loans	<u>113,959</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash June 30, 2015	<u>616,262</u>	<u>29,841</u>	<u>12,714</u>	<u>2,444</u>
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	-	-	-	-
Cash Per Books	<u>616,262</u>	<u>29,841</u>	<u>12,714</u>	<u>2,444</u>
Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	<u>(87,419)</u>	<u>-</u>	<u>-</u>	<u>(2,444)</u>
Fund Balance, Modified Accrual Basis	<u>\$ 528,843</u>	<u>29,841</u>	<u>12,714</u>	<u>-</u>

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

Federal Projects Account 24000	Local Grants 26000	State Flow Through 27000	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Total
-	-	-	-	116,908	595,611
<u>167,187</u>	<u>1,000</u>	<u>1,575</u>	<u>363,778</u>	<u>116,881</u>	<u>3,149,307</u>
167,187	1,000	1,575	363,778	233,789	3,744,918
(139,911)	(1,000)	(5,033)	(284,141)	(76,656)	(2,948,597)
5,704	-	4,802	-	11,525	33,600
<u>(32,980)</u>	<u>-</u>	<u>(1,344)</u>	<u>(79,635)</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>2</u>	<u>168,658</u>	<u>829,921</u>
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>2</u>	<u>168,658</u>	<u>829,921</u>
				Less - Agency Fund:	<u>(2,444)</u>
					<u>\$ 827,477</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,783</u>	<u>(88,080)</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>2</u>	<u>170,441</u>	<u>741,841</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New America Schools - Las Cruces
Statement of Net Position
June 30, 2015

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 1,005,593
Receivables	
Due from Other Governments	60,127
Total Current Assets	<u>1,065,720</u>

Noncurrent Assets:

Capital Assets	
Building and Improvements	45,716
Vehicles	39,604
Furniture, Fixtures, and Equipment	5,191
Less: Accumulated Depreciation	(27,880)
Total Noncurrent Assets	<u>62,631</u>
Total Assets	<u>1,128,351</u>

Deferred Outflow - Pension Related	<u>656,501</u>
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LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accounts Payable	10,651
Accrued Liabilities	143,720
Total Current Liabilities	<u>154,371</u>

Noncurrent Liabilities

Net Pension Liability	2,022,675
Total Noncurrent Liabilities	<u>2,022,675</u>
Total Liabilities	<u>2,177,046</u>

Deferred Inflow - Pension Related	<u>214,016</u>
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NET POSITION

Investment in Capital Assets	62,631
Restricted	137,041
Unrestricted (Deficit)	(805,882)
Total Net Position	<u>\$ (606,210)</u>

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New America Schools - Las Cruces
Statement of Activities
For The Year Ended June 30, 2015

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental Activities:					
Instruction	\$ 967,226	450	126,929	-	(839,847)
Support Services:					
Students	149,607	-	72,711	-	(76,896)
Instruction	21,390	-	-	-	(21,390)
General Administration	79,111	-	-	-	(79,111)
School Administration	403,860	-	2,000	-	(401,860)
Central Services	330,899	-	-	-	(330,899)
Operation & Maintenance of Plant	561,810	-	-	-	(561,810)
Student Transportation	9,508	-	-	-	(9,508)
Food Services	41,464	42	35,540	-	(5,882)
Facilities Materials, Supplies & Other Services	216,065	-	-	216,065	-
Total governmental activities	<u>\$ 2,780,940</u>	<u>492</u>	<u>237,180</u>	<u>216,065</u>	<u>(2,327,203)</u>
General Revenues:					
Property Taxes				\$	109,065
State Equalization Guarantee					<u>2,333,973</u>
Total General Revenues					<u>2,443,038</u>
Change in Net Position					115,835
Net Position-Beginning					691,051
Restatement					(1,413,096)
Net Position, as Restated					<u>(722,045)</u>
Net Position-Ending				\$	<u>(606,210)</u>

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New America Schools - Las Cruces
Balance Sheets - Governmental Funds
June 30, 2015

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101	IDEA-B Entitlement 24106
ASSETS					
Cash and Cash Equivalents	\$ 869,290	13,928	-	-	91
Accounts Receivable					
Due from Government	-	-	-	4,045	5,960
Due from Other Funds	42,200	-	-	-	-
Total Assets	\$ 911,490	13,928	-	4,045	6,051
LIABILITIES AND FUND BALANCES					
<i>Liabilities:</i>					
Accounts Payable	\$ 10,651	-	-	-	-
Accrued Expenses	126,531	-	-	1,278	6,051
Due to Other Funds	-	-	-	2,767	-
Total Liabilities	137,182	-	-	4,045	6,051
<i>Fund Balances</i>					
Fund Balance:					
Restricted for:					
Instruction	-	13,928	-	-	-
Capital Improvements	-	-	-	-	-
Unassigned	774,308	-	-	-	-
Total Fund Balance	774,308	13,928	-	-	-
Total Liabilities and Fund Balance	\$ 911,490	13,928	-	4,045	6,051

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

English Language Acquisition 24153	Teacher Principal Training 24154	Spaceport Grant 26204	College Advisor Initiative 27189	Public School Capital Outlay 31200	HB-33 Capital Improvements 31600	Total Government
-	-	14,048	31	-	108,205	1,005,593
1,712	2,000	-	45,550	-	860	60,127
-	-	-	-	-	-	42,200
1,712	2,000	14,048	45,581	-	109,065	1,107,920
-	-	-	-	-	-	10,651
-	-	-	9,860	-	-	143,720
1,712	2,000	-	35,721	-	-	42,200
1,712	2,000	-	45,581	-	-	196,571
-	-	14,048	-	-	-	27,976
-	-	-	-	-	109,065	109,065
-	-	-	-	-	-	774,308
-	-	14,048	-	-	109,065	911,349
1,712	2,000	14,048	45,581	-	109,065	1,107,920

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STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 New America Schools - Las Cruces
 Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position
 June 30, 2015

Fund Balances - Total Governmental Funds **\$ 911,349**

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

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

Capital Assets	90,511	
Accumulated Depreciation	(27,880)	
		62,631

Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds.		656,501
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Long-term liabilities are not due in the current period and, therefore, are not reported in the funds.

Net Pension Liability		(2,022,675)
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Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds.		(214,016)

Net Position-Total Governmental Activities **\$ (606,210)**

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New America Schools - Las Cruces
Statement of Revenues, Expenditures, And Changes In Fund Balances
Governmental Funds
For The Year Ended June 30, 2015

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101	IDEA-B Entitlement 24106
REVENUES					
Property Taxes	\$ -	-	-	-	-
Local & County Grant	28,011	-	-	-	-
State Grant	2,333,973	23,194	-	-	-
Federal Grant	-	-	35,540	27,601	39,346
Charges for Services	450	-	42	-	-
Total Revenues	2,362,434	23,194	35,582	27,601	39,346
EXPENDITURES					
Current:					
Instruction	790,567	23,372	-	19,048	39,346
Support Services:					
Students	65,965	-	-	8,553	-
Instruction	20,806	-	-	-	-
General Administration	79,111	-	-	-	-
School Administration	364,309	-	-	-	-
Central Services	311,902	-	-	-	-
Operation & Maintenance of Plant	537,808	-	-	-	-
Student Transportation	1,587	-	-	-	-
Food Services Operations	6,349	-	35,115	-	-
Capital Outlay	-	-	-	-	-
Total Expenditures	2,178,404	23,372	35,115	27,601	39,346
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	184,030	(178)	467	-	-
Net Changes in Fund Balances	184,030	(178)	467	-	-
Fund Balances - Beginning of Year	590,278	14,106	(467)	-	-
Fund Balances - End of Year	\$ 774,308	13,928	-	-	-

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

English Language Acquisition 24153	Teacher Principal Training 24154	Spaceport Grant 26204	College Advisor Initiative 27189	Public School Capital Outlay 31200	HB-33 Capital Improvements 31600	Total Government
-	-	-	-	-	109,065	109,065
-	-	13,918	-	-	-	41,929
-	-	-	64,158	216,065	-	2,637,390
1,712	3,700	-	-	-	-	107,899
-	-	-	-	-	-	492
1,712	3,700	13,918	64,158	216,065	109,065	2,896,775
1,712	1,700	11,242	-	-	-	886,987
-	-	-	64,158	-	-	138,676
-	-	-	-	-	-	20,806
-	-	-	-	-	-	79,111
-	2,000	-	-	-	-	366,309
-	-	-	-	-	-	311,902
-	-	-	-	-	-	537,808
-	-	-	-	-	-	1,587
-	-	-	-	-	-	41,464
-	-	-	-	216,065	-	216,065
1,712	3,700	11,242	64,158	216,065	-	2,600,715
-	-	2,676	-	-	109,065	296,060
-	-	2,676	-	-	109,065	296,060
-	-	11,372	-	-	-	615,289
-	-	14,048	-	-	109,065	911,349

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New America Schools - Las Cruces
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
June 30, 2015

Net Change in Fund Balances-Total Governmental Funds **\$ 296,060**

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

Capital outlays to purchase or build capital assets are reported in
 governmental funds as expenditures. However, for governmental
 activities those costs are shown in the Statement of Net Position and
 allocated over their estimated useful lives as annual depreciation
 expenses in the Statement of Activities. This is the amount by which
 capital outlay exceeds depreciation for the period

Depreciation Expense	(13,131)	
		(13,131)

The issuance of long-term debt (e.g., bonds, notes, leases) provide
 current financial resources to governmental funds, while the
 repayment of the principal of long-term debt consumes the current
 financial resources of governmental funds. Neither transaction,
 however, has any effect on net position.

Change in Net Pension Liability		(167,094)
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Change in Net Position-Total Governmental Activities		\$ 115,835
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The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 New America Schools - Las Cruces
 Statement of Fiduciary Assets and Liabilities-Agency Funds
 June 30, 2015

	<u>Agency Funds</u>
ASSETS	
Cash in Bank	\$ 2,253
Total Assets	<u>\$ 2,253</u>
LIABILITIES	
Deposits Held for Others	\$ 2,253
Total Liabilities	<u>\$ 2,253</u>

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New America Schools - Las Cruces
Schedule of Changes in Assets and Liabilities - Agency Funds
For The Year Ended June 30, 2015

	<u>Balance July 1, 2014</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2015</u>
ASSETS				
Cash in Bank	\$ 1,724	6,017	(5,488)	2,253
Total Assets	<u>\$ 1,724</u>	<u>6,017</u>	<u>(5,488)</u>	<u>2,253</u>
LIABILITIES				
Deposits Held for Others	\$ 1,724	6,017	(5,488)	2,253
Total Liabilities	<u>\$ 1,724</u>	<u>6,017</u>	<u>(5,488)</u>	<u>2,253</u>

The accompanying notes are an integral part of these financial statements

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Capital Assets. Capital assets purchased or acquired are 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 New America School–Las Cruces’ capitalization policy (i.e., the dollar value above which the asset acquisitions are added to the capital accounts) is \$5,000. The New America School–Las Cruces does not capitalize any interest with regard to its capital assets.

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

Furniture, Fixtures and Equipment	5 years
Buildings and Improvements	40 years

Capital assets for the New America School–Las Cruces are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB’s Fiduciary Net Position have been determined on the economic resources measurement focus and accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The New America School – Las Cruces
Notes to the Financial Statements
June 30, 2015

NOTE 2. CAPITAL ASSETS

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

	<u>Balance</u> <u>June 30, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2015</u>
<i>Capital Assets being Depreciated:</i>				
Furniture, Fixtures and Equipment	\$ 5,191	-	-	5,191
Building Improvements	45,716	-	-	45,716
Vehicles	39,604	-	-	39,604
<i>Total</i>	<u>90,511</u>	<u>-</u>	<u>-</u>	<u>90,511</u>
<i>Less: Accumulated Depreciation</i>				
Furniture, fixtures and equipment	(1,081)	(1,038)	-	(2,119)
Building Improvements	(8,170)	(4,172)	-	(12,342)
Vehicles	(5,498)	(7,921)	-	(13,419)
<i>Total</i>	<u>(14,749)</u>	<u>(13,131)</u>	<u>-</u>	<u>(27,880)</u>
Capital Assets, Net	<u>\$ 75,762</u>	<u>(13,131)</u>	<u>-</u>	<u>62,631</u>

Depreciation expensed for the year ended June 30, 2015 was expensed to the following functions:

Operations/Plant Maintenance	\$ 5,210
Student Transportation	<u>7,921</u>
Total	<u><u>\$ 13,131</u></u>

NOTE 3. COMMITMENTS AND LIABILITIES

The New America School–Las Cruces leased equipment and facilities under long-term cancelable operating leases. Rental expense for the year ended June 30, 2015, was \$369,765. The school’s minimum future payments on this lease are as follows:

Year Ending June 30:	
2016	\$ 371,250
2017	371,250
2018	393,938
2019	396,000
2020	396,000
2021	<u>396,000</u>
Total lease payments	<u><u>\$ 2,324,438</u></u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The New America School – Las Cruces
Notes to the Financial Statements
June 30, 2015

NOTE 4. RELATED PARTIES

The business manager services are performed by the Vigil Group, which performed services for multiple state charter schools.

NOTE 5. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to the New America School-Las Cruces and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions. The contribution requirements of defined benefit plan members and New America School-Las Cruces are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year, ended June 30, 2014 employers contributed 13.15% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.10% of their gross annual salary. For fiscal year, ended June 30, 2015 employers contributed 13.90%, and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 contributed an increased amount of 10.70% of their gross annual salary. Contributions to the pension plan from New America School-Las Cruces were \$149,133 for the year ended June 30, 2015.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2013. The total ERB pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2014, using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date June 30, 2014. At June 30, 2015, New America School-Las Cruces reported a liability of \$2,022,675 for its proportionate share of the net pension liability. New America School-Las Cruces' proportion of the net pension liability is based on the employer contributing entity's percentage of total employer

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The New America School – Las Cruces
Notes to the Financial Statements
June 30, 2015

NOTE 5. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

contributions for the fiscal year ended June 30, 2014. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2014, New America School-Las Cruces' proportion was 0.03545% percent, which was an increase of 0.01089% from its proportion measured as of June 30, 2013.

For the year ended June 30, 2015, New America School-Las Cruces recognized pension expense of \$316,227. At the June 30, 2015, New America School-Las Cruces reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actuarial experience	\$ -	30,133
Changes in assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	183,883
Changes in proportion and differences between New America School-Las Cruces contributions and proportionate share of contributions	507,368	-
New America School-Las Cruces contributions subsequent to the measurement date	<u>149,133</u>	<u>-</u>
Total	<u>\$ 656,501</u>	<u>214,016</u>

\$149,133 reported as deferred outflows of resources related to pensions resulting from New America School-Las Cruces contributions subsequent to the measurement date June 30, 2014 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2016	\$ (119,740)
2017	(119,740)
2018	(99,855)
2019	<u>45,983</u>
Total	<u>\$ (293,352)</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 The New America School – Las Cruces
 Notes to the Financial Statements
 June 30, 2015

NOTE 5. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

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

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
New America School-Las Cruces' proportionate share of the net pension liability	\$ 2,752,082	2,022,675	1,413,515

NOTE 6. BUDGETARY OVERAGE

New America School-Las Cruces has expended in excess of the budget in the following funds and functions:

English Language Acquisition (24153) – Instruction	\$1,712
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NOTE 7. RESTATEMENT

As a result of implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, net position at June 30, 2014 was restated in the amount of \$(1,413,096).

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
NEW AMERICA SCHOOL - LAS CRUCES
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2015

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
School's Proportion of the Net Pension Liability (Asset)	0.04%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 2,023	-	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 977	-	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	207.06%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)

*The amounts presented for each fiscal year were determined as of June 30, 2014

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
NEW AMERICA SCHOOL - LAS CRUCES
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2015

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 129	-	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	129	-	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ -	-	-	-	-	-	-	-	-	-

Increase (Decrease) in Pension Expense over Recognition Periods

Year	Total Amount Deferred	Amortization Years	Increase (Decrease) in Pension Expense over Recognition Periods											
			2015	2016	2017	2018	2019	2020	2021	2022	2023	2024		
2014	\$ (293)	5	\$ (120)	(120)	(120)	(120)	46	-	-	-	-	-	-	-
2015	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2016	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2017	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2018	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2019	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2020	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2021	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2022	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2023	-	5	-	-	-	-	-	-	-	-	-	-	-	-
	\$ (293)		\$ (120)	(120)	(120)	(120)	46	-	-	-	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New America Schools - Las Cruces
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30,2015

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
Local & County Grant	\$ -	27,752	28,011	259
State grant	2,249,939	2,333,974	2,333,973	(1)
Charges for services	-	-	450	450
Total Revenues	<u>2,249,939</u>	<u>2,361,726</u>	<u>2,362,434</u>	<u>708</u>
Expenditures:				
Current:				
Instruction	1,006,957	1,143,106	790,567	352,539
Support Services:				
Students	87,548	96,208	65,934	30,274
Instruction	19,760	26,582	20,806	5,776
General Administration	97,500	114,894	78,602	36,292
School Administration	387,611	408,726	364,957	43,769
Central Services	347,880	362,043	315,909	46,134
Operation & Maintenance of Plant	809,669	788,512	536,633	251,879
Student Transportation	1,700	1,914	1,587	327
Food Services Operations	7,440	20,863	3,571	17,292
Total expenditures	<u>2,766,065</u>	<u>2,962,848</u>	<u>2,178,566</u>	<u>784,282</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(516,126)</u>	<u>(601,122)</u>	<u>183,868</u>	<u>784,990</u>
Other financing sources (uses):				
Designated Cash	516,126	601,122	-	(601,122)
Total other financing sources (uses):	<u>516,126</u>	<u>601,122</u>	<u>-</u>	<u>(601,122)</u>
Net changes in fund balances	<u>-</u>	<u>-</u>	<u>183,868</u>	<u>183,868</u>
Cash or fund balances - beginning of year	<u>-</u>	<u>-</u>	<u>590,278</u>	<u>590,278</u>
Cash or fund balances - end of year	<u>\$ -</u>	<u>-</u>	<u>774,146</u>	<u>774,146</u>
Reconciliation to GAAP Basis:				
Excess revenues over (under) expenditures				
Adjustments to revenues			\$ -	
Adjustments to expenditures			<u>162</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 184,030</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New America Schools - Las Cruces
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30,2015

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
State grant	\$ 16,004	23,194	23,194	-
Total Revenues	<u>16,004</u>	<u>23,194</u>	<u>23,194</u>	<u>-</u>
Expenditures:				
Current:				
Instruction	24,114	37,300	23,372	13,928
Total expenditures	<u>24,114</u>	<u>37,300</u>	<u>23,372</u>	<u>13,928</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(8,110)</u>	<u>(14,106)</u>	<u>(178)</u>	<u>13,928</u>
Other financing sources (uses):				
Designated Cash	8,110	14,106	-	(14,106)
Total other financing sources (uses):	<u>8,110</u>	<u>14,106</u>	<u>-</u>	<u>(14,106)</u>
Net changes in fund balances	<u>-</u>	<u>-</u>	<u>(178)</u>	<u>(178)</u>
Cash or fund balances - beginning of year	<u>-</u>	<u>-</u>	<u>14,106</u>	<u>14,106</u>
Cash or fund balances - end of year	<u>\$ -</u>	<u>-</u>	<u>13,928</u>	<u>13,928</u>
Reconciliation to GAAP Basis:				
Excess revenues over (under) expenditures				
Adjustments to revenues			\$ -	
Adjustments to expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ (178)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New America Schools - Las Cruces
Schedule of Budgetary Comparisons - Budgetary Basis
Food Services 21000
For The Year Ended June 30,2015

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
Federal grant	\$ 17,405	38,882	35,540	(3,342)
Charges for services	-	-	42	42
Total Revenues	<u>17,405</u>	<u>38,882</u>	<u>35,582</u>	<u>(3,300)</u>
Expenditures:				
Current:				
Food Services Operations	17,405	38,882	35,115	3,767
Total expenditures	<u>17,405</u>	<u>38,882</u>	<u>35,115</u>	<u>3,767</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>467</u>	<u>467</u>
Net changes in fund balances	<u>-</u>	<u>-</u>	<u>467</u>	<u>467</u>
Cash or fund balances - beginning of year	<u>-</u>	<u>-</u>	<u>(467)</u>	<u>(467)</u>
Cash or fund balances - 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>\$ 467</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New America Schools - Las Cruces
Schedule of Budgetary Comparisons - Budgetary Basis
Title I - IASA 24101
For The Year Ended June 30,2015

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
Federal grant	\$ 27,778	55,832	27,601	(28,231)
Total Revenues	<u>27,778</u>	<u>55,832</u>	<u>27,601</u>	<u>(28,231)</u>
Expenditures:				
Current:				
Instruction	27,778	46,927	19,048	27,879
Support Services:				
Students	-	8,905	8,553	352
Total expenditures	<u>27,778</u>	<u>55,832</u>	<u>27,601</u>	<u>28,231</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	-	-	-	-
Net changes in fund balances	-	-	-	-
Cash or fund balances - beginning of year	-	-	-	-
Cash or fund balances - 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>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New America Schools - Las Cruces
Schedule of Budgetary Comparisons - Budgetary Basis
Entitlement IDEA-B 24106
For The Year Ended June 30,2015

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
Federal grant	\$ 41,712	48,016	39,346	(8,670)
Total Revenues	<u>41,712</u>	<u>48,016</u>	<u>39,346</u>	<u>(8,670)</u>
Expenditures:				
Current:				
Instruction	41,712	48,016	39,346	8,670
Total expenditures	<u>41,712</u>	<u>48,016</u>	<u>39,346</u>	<u>8,670</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or fund balances - beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or fund balances - 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			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 New America Schools - Las Cruces
 Schedule of Budgetary Comparisons - Budgetary Basis
 English Language Acquisition 24153
 For The Year Ended June 30,2015

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
Federal grant	\$ 5,812	-	1,712	1,712
Total Revenues	<u>5,812</u>	<u>-</u>	<u>1,712</u>	<u>1,712</u>
Expenditures:				
Current:				
Instruction	5,812	-	1,712	(1,712)
Total expenditures	<u>5,812</u>	<u>-</u>	<u>1,712</u>	<u>(1,712)</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or fund balances - beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or fund balances - 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			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New America Schools - Las Cruces
Schedule of Budgetary Comparisons - Budgetary Basis
Teacher Principal Training 24154
For The Year Ended June 30,2015

	Budgeted Amounts			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
Federal grant	\$ 6,364	10,109	3,700	(6,409)
Total Revenues	<u>6,364</u>	<u>10,109</u>	<u>3,700</u>	<u>(6,409)</u>
Expenditures:				
Current:				
Instruction	4,364	8,109	1,700	6,409
Support Services:				
School Administration	2,000	2,000	2,000	-
Total expenditures	<u>6,364</u>	<u>10,109</u>	<u>3,700</u>	<u>6,409</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or fund balances - beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or fund balances - 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>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New America Schools - Las Cruces
Schedule of Budgetary Comparisons - Budgetary Basis
Spaceport Grant 26204
For The Year Ended June 30,2015

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
Local & County Grant	\$ -	13,919	13,918	(1)
Total Revenues	<u>-</u>	<u>13,919</u>	<u>13,918</u>	<u>(1)</u>
Expenditures:				
Current:				
Instruction	-	13,919	11,242	2,677
Total expenditures	<u>-</u>	<u>13,919</u>	<u>11,242</u>	<u>2,677</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>2,676</u>	<u>2,676</u>
Net changes in fund balances	<u>-</u>	<u>-</u>	<u>2,676</u>	<u>2,676</u>
Cash or fund balances - beginning of year	<u>-</u>	<u>-</u>	<u>11,372</u>	<u>11,372</u>
Cash or fund balances - end of year	<u>\$ -</u>	<u>-</u>	<u>14,048</u>	<u>14,048</u>
Reconciliation to GAAP Basis:				
Excess revenues over (under) expenditures				
Adjustments to revenues			\$ -	
Adjustments to expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 2,676</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New America Schools - Las Cruces
Schedule of Budgetary Comparisons - Budgetary Basis
College Advisor Initiative 27189
For The Year Ended June 30,2015

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
State grant	\$ -	65,000	64,158	(842)
Total Revenues	<u>-</u>	<u>65,000</u>	<u>64,158</u>	<u>(842)</u>
Expenditures:				
Current:				
Support Services:				
Students	-	65,000	64,158	842
Total expenditures	<u>-</u>	<u>65,000</u>	<u>64,158</u>	<u>842</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or fund balances - beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or fund balances - 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>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 New America Schools - Las Cruces
 Schedule of Budgetary Comparisons - Budgetary Basis
 Public School Capital Outlay 31200
 For The Year Ended June 30,2015

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
State grant	\$ -	216,065	216,065	-
Total Revenues	<u>-</u>	<u>216,065</u>	<u>216,065</u>	<u>-</u>
Expenditures:				
Capital outlay	-	216,065	216,065	-
Total expenditures	<u>-</u>	<u>216,065</u>	<u>216,065</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or fund balances - beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or fund balances - 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			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New America Schools - Las Cruces
Schedule of Budgetary Comparisons - Budgetary Basis
HB-33 Capital Improvements 31600
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
Property Taxes	\$ -	-	109,065	109,065
Total Revenues	<u>-</u>	<u>-</u>	<u>109,065</u>	<u>109,065</u>
Expenditures:				
Capital outlay	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>109,065</u>	<u>109,065</u>
Net changes in fund balances	<u>-</u>	<u>-</u>	<u>109,065</u>	<u>109,065</u>
Cash or fund balances - beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or fund balances - end of year	<u>\$ -</u>	<u>-</u>	<u>109,065</u>	<u>109,065</u>
Reconciliation to GAAP Basis:				
Excess revenues over (under) expenditures				
Adjustments to revenues			\$ -	
Adjustments to expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 109,065</u>	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New America Schools - Las Cruces
Schedule of Collateral Pledged by Depository for Public Funds
For Public Funds
June 30, 2015

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2015</u>
Citizens Bank	FHLB	313379EE5	6/14/2019	\$ 503,340
				<u>\$ 503,340</u>
Total Cash per Schedule of Cash Accounts:				\$ 1,048,496
Less: FDIC coverage:				<u>(250,000)</u>
Uninsured Public Funds:				798,496
Collateral Requirement:				399,248
Pledged Collateral Held by Pledging Financial Institution:				<u>503,340</u>
Balance Over Collateralized:				<u>\$ 104,092</u>
Balance Uninsured and Uncollateralized at June 30, 2015:				<u>\$ 295,156</u>

The accompanying notes are an integral part of these financial statements

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STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 New America Schools - Las Cruces
 Schedule of Cash Accounts
 June 30, 2015

<u>Bank Account Type</u>	<u>Citizens Bank</u>
Checking - Operational Account	\$ 1,046,243
Checking - Activity Account	2,253
	<hr/>
<i>Total on Deposit</i>	1,048,496
Reconciling Items	(40,650)
	<hr/>
Reconciled Balance June 30, 2015	1,007,846
	<hr/>
Less Agency Funds	(2,253)
	<hr/>
<i>Total Cash</i>	<u><u>\$ 1,005,593</u></u>

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New America Schools - Las Cruces
Cash Reconciliation
June 30, 2015

	Operational 11000	Instructional Materials 14000	Food Services 21000	Federal Projects Account 24000
Cash, June 30, 2014	\$ 677,429	14,106	-	-
Add:				
2014-15 revenues	2,362,434	23,194	35,582	72,359
Total Cash Available	3,039,863	37,300	35,582	72,359
Less:				
2014-15 expenditures	(2,178,566)	(23,372)	(35,115)	(72,359)
Receivables/Payables	126,527	-	-	-
Outstanding Loans	(42,110)	-	-	-
Cash June 30, 2015	945,714	13,928	467	-
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	(76,424)	-	(467)	91
Cash per Books	869,290	13,928	-	91
Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	(94,982)	-	-	(91)
Fund Balance, Modified Accrual Basis	\$ 774,308	13,928	-	-

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

Local Grants Account 26000	State Account 27000	Public School Capital Outlay 31200	HB-33 Capital Improvements 31600	SB-9 Capital Improvements 31700	Total Government
11,372	-	-	-	-	702,907
<u>13,918</u>	<u>64,158</u>	<u>216,065</u>	<u>109,065</u>	<u>-</u>	<u>2,896,775</u>
25,290	64,158	216,065	109,065	-	3,599,682
(11,242)	(64,158)	(216,065)	-	-	(2,600,877)
-	-	-	-	-	126,527
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(42,110)</u>
<u>14,048</u>	<u>-</u>	<u>-</u>	<u>109,065</u>	<u>-</u>	<u>1,083,222</u>
	31	-	(860)	-	(77,629)
<u>14,048</u>	<u>31</u>	<u>-</u>	<u>108,205</u>	<u>-</u>	<u>1,005,593</u>
-	(31)	-	860	-	(94,244)
<u>14,048</u>	<u>-</u>	<u>-</u>	<u>109,065</u>	<u>-</u>	<u>911,349</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 New Mexico Connections Academy
 Statement of Net Position
 June 30, 2015

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 273,900
Receivables	
Due from Other Governments	100,245
Total Current Assets	<u>374,145</u>

Total Assets	<u>374,145</u>
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Deferred Outflows - Pension Related	<u>1,494,474</u>
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LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accounts Payable	37,179
Accrued Liabilities	118,713
Total Current Liabilities	<u>155,892</u>

Noncurrent Liabilities:

Net Pension Liability	1,605,584
Total Noncurrent Liabilities	<u>1,605,584</u>

Total Liabilities	<u>1,761,476</u>
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Deferred Inflows - Pension Related	<u>169,899</u>
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NET POSITION

Restricted	1,714
Unrestricted (Deficit)	(64,470)
Total Net Position	<u>\$ (62,756)</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico Connections Academy
Statement of Activities
For The Year Ended June 30, 2015

Functions/Programs	Program Revenues				Net (Expenses) Revenues and Changes in Net Position
	Expenses	Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 4,546,941	565	353,778	-	(4,192,598)
Support Services:					
Students	263,035	-	-	-	(263,035)
Instruction	52,519	-	-	-	(52,519)
General Administration	36,833	-	-	-	(36,833)
School Administration	418,216	-	-	-	(418,216)
Central Services	57,836	-	-	-	(57,836)
Operation & Maintenance of Plant	135,631	-	-	-	(135,631)
Total Governmental Activities	\$ 5,511,011	565	353,778	-	(5,156,668)
General Revenues:					
State Equalization Guarantee					\$ 4,857,367
Total General Revenues					<u>4,857,367</u>
Change in Net Position					<u>(299,301)</u>
Net Position Beginning of Year					134,532
Restatement					<u>102,013</u>
Net Position, as Restated					<u>236,545</u>
Net position, Ending					<u>\$ (62,756)</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico Connections Academy
Balance Sheets - Governmental Funds
June 30, 2015

	Operational 11000	Instructional Materials 14000	Title I IASA 24101	IDEA-B Entitlement 24106
ASSETS				
Cash and Cash Equivalents	\$ 272,109	1,791	-	-
Accounts Receivable				
Due from Government	-	-	81,814	7,588
Due from Other Funds	95,605	-	-	-
Total Assets	\$ 367,714	1,791	81,814	7,588
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 37,102	77	-	-
Accrued Expenditures	118,713	-	-	-
Due to Other Funds	-	-	77,174	7,588
Total Liabilities	155,815	77	77,174	7,588
Fund Balances				
Fund Balance:				
Restricted for:				
Instruction	-	1,714	-	-
Unassigned	211,899	-	4,640	-
Total Fund Balance	211,899	1,714	4,640	-
Total Liabilities and Fund Balances	\$ 367,714	1,791	81,814	7,588

IDEA-B Risk Pool 24120	Teacher Principal Training 24154	Total
-	-	273,900
105	10,738	100,245
-	-	95,605
<u>105</u>	<u>10,738</u>	<u>469,750</u>
-	-	37,179
-	-	118,713
105	10,738	95,605
<u>105</u>	<u>10,738</u>	<u>251,497</u>
-	-	1,714
-	-	216,539
-	-	218,253
<u>105</u>	<u>10,738</u>	<u>469,750</u>

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STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico Connections Academy
Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
June 30, 2015

Fund Balance - Total Governmental Funds **\$ 218,253**

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

Defined benefit pension plan deferred outflows are not
 financial resources and, therefore, are not reported in the
 funds. 1,494,474

Long-term liabilities are not due in the current period and,
 therefore, are not reported in the funds.
 Net Pension Liability (1,605,584)

Defined benefit pension plan deferred inflows are not
 due and payable in the current period and, therefore,
 are not reported in the funds. (169,899)

Net Position-Total Governmental Activities **\$ (62,756)**

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico Connections Academy
Statement of Revenues, Expenditures, and Changes In Fund Balances
Governmental Funds
For The Year Ended June 30, 2015

	Operational 11000	Instructional Materials 14000	Title I IASA 24101	IDEA-B Entitlement 24106
REVENUES				
Local & County Grant	\$ 159	-	-	-
State Grant	4,857,367	56,348	-	-
Federal Grant	-	-	180,634	100,535
Charges for Services	565	-	-	-
Total Revenues	<u>4,858,091</u>	<u>56,348</u>	<u>180,634</u>	<u>100,535</u>
EXPENDITURES				
Current:				
Instruction	3,982,241	80,357	143,336	48,970
Support Services:				
Students	146,860	-	32,658	51,565
Instruction	52,519	-	-	-
General Administration	36,833	-	-	-
School Administration	343,081	-	-	-
Central Services	57,836	-	-	-
Operation & Maintenance of Plant	135,631	-	-	-
Total Expenditures	<u>4,755,001</u>	<u>80,357</u>	<u>175,994</u>	<u>100,535</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>103,090</u>	<u>(24,009)</u>	<u>4,640</u>	<u>-</u>
Net Changes in Fund Balances	<u>103,090</u>	<u>(24,009)</u>	<u>4,640</u>	<u>-</u>
Fund Balances - Beginning of Year	<u>108,809</u>	<u>25,723</u>	<u>-</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ 211,899</u>	<u>1,714</u>	<u>4,640</u>	<u>-</u>

IDEA-B Risk Pool 24120	Teacher Principal Training 24154	Total
-	-	159
-	-	4,913,715
105	15,997	297,271
-	-	565
<u>105</u>	<u>15,997</u>	<u>5,211,710</u>
-	9,112	4,264,016
105	-	231,188
-	-	52,519
-	-	36,833
-	6,885	349,966
-	-	57,836
-	-	135,631
<u>105</u>	<u>15,997</u>	<u>5,127,989</u>
-	-	83,721
-	-	83,721
-	-	134,532
<u>-</u>	<u>-</u>	<u>218,253</u>

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico Connections Academy
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2015**

Net Change in Fund Balance-Total Governmental Funds **\$ 83,721**

The issuance of long-term debt (e.g., bonds, notes, leases) provide current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.

Changes in Net Pension Liability (383,022)

Change in Net Position-Total Governmental Activities **\$ (299,301)**

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico Connections Academy
Statement of Fiduciary Assets and Liabilities- Agency Funds
June 30, 2015

	<u>Agency</u>
ASSETS	
Cash in Bank	\$ 391
Total Assets	<u>\$ 391</u>
 LIABILITIES	
Deposits Held for Others	\$ 391
Total Liabilities	<u>\$ 391</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 New Mexico Connections Academy
 Schedule of Changes in Assets and Liabilities - Agency Funds
 For The Year Ended June 30, 2015

	<u>Balance</u> <u>July 1, 2014</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2015</u>
ASSETS				
Cash in Bank	\$ 21	370	-	391
Total Assets	<u>\$ 21</u>	<u>370</u>	<u>-</u>	<u>391</u>
 LIABILITIES				
Deposits Held for Others	\$ 21	370	-	391
Total Liabilities	<u>\$ 21</u>	<u>370</u>	<u>-</u>	<u>391</u>

The accompanying notes are an integral part of these financial statements

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Capital Assets. Capital assets purchased or acquired are 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 New Mexico Connections Academy’s capitalization policy (i.e., the dollar value above which the asset acquisitions are added to the capital accounts) is \$5,000. The New Mexico Connections Academy does not capitalize any interest with regard to its capital assets.

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

Furniture, Fixtures and Equipment	5 years
Buildings and Improvements	40 years

Capital assets for the New Mexico Connections Academy if any are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB’s Fiduciary Net Position have been determined on the economic resources measurement focus and accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 2. COMMITMENTS AND LIABILITIES

The New Mexico Connections Academy leased equipment and facilities under long-term cancelable operating leases. Rental expense for the year ended June 30, 2015 was \$53,295. The New Mexico Connections Academy’s minimum future payments on this lease are as follows:

Year Ending June 30:	
2016	\$ 55,014
2017	10,315
Total	<u>\$ 65,329</u>

NOTE 3. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to the New Mexico Connections Academy and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions. The contribution requirements of defined benefit plan members and New Mexico Connections Academy are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year ended June 30, 2014 employers contributed 13.15% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.10% of their gross annual salary. For fiscal year ended June 30, 2015 employers contributed 13.90%, and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 contributed an increased amount of 10.70% of their gross annual salary. Contributions to the pension plan from New Mexico Connections Academy were \$183,408 for the year ended June 30, 2015.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2013. The total ERB pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2014, using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date June 30, 2014. At June 30, 2015, New Mexico Connections Academy reported a liability of \$1,605,584 for its proportionate share of the net pension liability. New Mexico Connections Academy's proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2014. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2014, New Mexico Connections Academy's proportion was 0.02814% percent, which was an increase of 0.02814% from its proportion measured as of June 30, 2013.

For the year ended June 30, 2015, New Mexico Connections Academy recognized pension expense of \$566,430. At the June 30, 2015, New Mexico Connections Academy reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico Connections Academy
Notes to the Financial Statements
June 30, 2015

NOTE 3. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	23,921
Changes in assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	145,978
Changes in proportion and differences between New Mexico Connections Academy contributions and proportionate share of contributions	1,311,066	-
New Mexico Connections Academy contributions subsequent to the measurement date	<u>183,408</u>	<u>-</u>
Total	<u>\$ 1,494,474</u>	<u>169,899</u>

\$183,408 reported as deferred outflows of resources related to pensions resulting from New Mexico Connections Academy contributions subsequent to the measurement date June 30, 2014 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2016	\$ (410,438)
2017	(410,438)
2018	(356,806)
2019	<u>36,515</u>
Total	<u>\$ (1,141,167)</u>

Sensitivity of New Mexico Connections Academy proportionate share of the net pension liability to changes in the discount rate. The following table shows the sensitivity of the net pension liability to changes in the discount rate as of the fiscal year end 2014. In particular, the

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico Connections Academy
Notes to the Financial Statements
June 30, 2015

NOTE 3. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

table presents the (employer's) net pension liability under the current single rate assumption, as if it were calculated using a discount rate one percentage point lower (6.75%) or one percentage point higher (8.75%) than the single discount rate.

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
New Mexico Connections Academy proportionate share of the net pension liability	<u>\$ 2,184,584</u>	<u>1,605,584</u>	<u>1,122,141</u>

Payables to the pension plan. As of fiscal year end New Mexico Connections Academy had a payable to ERB of \$34,036 which was paid July 2015.

NOTE 4. RESTATEMENT

As a result of the implementation of GASB Statement No.68, *Accounting and Financial Reporting for Pensions*, net position at June 30, 2014 was restated in the amount of \$102,013.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico Connections Academy
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2015

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.03%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 1,606	-	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 776	-	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	206.97%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30, 2014

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico Connections Academy
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2015

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 102	-	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	102	-	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ -	-	-	-	-	-	-	-	-	-

Year	Total Amount Deferred	Amortization Years	Increase (Decrease) in Pension Expense over Recognition Periods											
			2015	2016	2017	2018	2019	2020	2021	2022	2023	2024		
2014	\$ (1,141)	5	\$ (410)	(410)	(410)	(357)	36	-	-	-	-	-	-	-
2015	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2016	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2017	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2018	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2019	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2020	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2021	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2022	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2023	-	5	-	-	-	-	-	-	-	-	-	-	-	-
	\$ (1,141)		\$ (410)	(410)	(410)	(357)	36	-	-	-	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico Connections Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 4,132,155	4,857,367	4,857,367	-
Charges for Services	-	373	565	192
Total Revenues	4,132,155	4,857,740	4,857,932	192
EXPENDITURES				
Current:				
Instruction	3,369,898	3,987,215	3,959,545	27,670
Support Services:				
Students	242,509	320,400	143,228	177,172
Instruction	20,000	55,000	52,534	2,466
General Administration	49,800	49,944	35,685	14,259
School Administration	270,347	344,230	342,832	1,398
Central Services	68,670	68,670	54,089	14,581
Operation & Maintenance of Plant	160,931	145,931	134,667	11,264
Total Expenditures	4,182,155	4,971,390	4,722,580	248,810
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(50,000)</u>	<u>(113,650)</u>	<u>135,352</u>	<u>249,002</u>
Net Changes in Fund Balances	<u>(50,000)</u>	<u>(113,650)</u>	<u>135,352</u>	<u>249,002</u>
Cash or Fund Balances - Beginning of Year	<u>317,615</u>	<u>317,615</u>	<u>317,615</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ 267,615</u>	<u>203,965</u>	<u>452,967</u>	<u>249,002</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 135,352	
Adjustments to Revenues			159	
Adjustments to Expenditures			<u>(32,421)</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 103,090</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 New Mexico Connections Academy
 Schedule of Budgetary Comparisons - Budgetary Basis
 Instructional Materials 14000
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 24,537	56,348	56,348	-
Total Revenues	<u>24,537</u>	<u>56,348</u>	<u>56,348</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	48,469	80,280	80,280	-
Total Expenditures	<u>48,469</u>	<u>80,280</u>	<u>80,280</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(23,932)</u>	<u>(23,932)</u>	<u>(23,932)</u>	<u>-</u>
Net Changes in Fund Balances	<u>(23,932)</u>	<u>(23,932)</u>	<u>(23,932)</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>25,723</u>	<u>25,723</u>	<u>25,723</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ 1,791</u>	<u>1,791</u>	<u>1,791</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (23,932)	
Adjustments to Expenditures			<u>(77)</u>	
NET CHANGE IN FUND BALANCE			<u>\$ (24,009)</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico Connections Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Title I IASA 24101
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 104,321	181,557	101,372	(80,185)
Total Revenues	<u>104,321</u>	<u>181,557</u>	<u>101,372</u>	<u>(80,185)</u>
EXPENDITURES				
Current:				
Instruction	66,136	143,372	143,336	36
Support Services:				
Students	38,185	38,185	32,658	5,527
Total Expenditures	<u>104,321</u>	<u>181,557</u>	<u>175,994</u>	<u>5,563</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(74,622)	(74,622)
Net Changes in Fund Balances	-	-	(74,622)	(74,622)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(74,622)</u>	<u>(74,622)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (74,622)	
Adjustments to Revenues			<u>79,262</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 4,640</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico Connections Academy
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Entitlement 24106
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 90,433	100,535	126,788	26,253
Total Revenues	<u>90,433</u>	<u>100,535</u>	<u>126,788</u>	<u>26,253</u>
EXPENDITURES				
Current:				
Instruction	48,970	48,970	48,970	-
Support Services:				
Students	41,463	51,565	51,565	-
Total Expenditures	<u>90,433</u>	<u>100,535</u>	<u>100,535</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	26,253	26,253
Net Changes in Fund Balances	-	-	26,253	26,253
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>26,253</u>	<u>26,253</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 26,253	
Adjustments to Revenues			<u>(26,253)</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 New Mexico Connections Academy
 Schedule of Budgetary Comparisons - Budgetary Basis
 IDEA-B Risk Pool 24120
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ -	105	1,012	907
Total Revenues	<u>-</u>	<u>105</u>	<u>1,012</u>	<u>907</u>
EXPENDITURES				
Current:				
Support Services:				
Students	-	105	105	-
Total Expenditures	<u>-</u>	<u>105</u>	<u>105</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>907</u>	<u>907</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>907</u>	<u>907</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>907</u>	<u>907</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 907	
Adjustments to Revenues			<u>(907)</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 New Mexico Connections Academy
 Schedule of Budgetary Comparisons - Budgetary Basis
 Teacher Principal Training 24154
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 16,145	38,376	16,113	(22,263)
Total Revenues	<u>16,145</u>	<u>38,376</u>	<u>16,113</u>	<u>(22,263)</u>
EXPENDITURES				
Current:				
Instruction	10,000	20,000	9,112	10,888
Support Services:				
School Administration	6,145	18,376	6,885	11,491
Total expenditures	<u>16,145</u>	<u>38,376</u>	<u>15,997</u>	<u>22,379</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	116	116
Net changes in Fund Balances	-	-	116	116
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>116</u>	<u>116</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 116	
Adjustments to Revenues			(116)	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 New Mexico Connections Academy
 Schedule of Collateral Pledged by Depository for Public Funds
 June 30, 2015

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2015</u>
BNY MELLON	FNMA NFMS	3138A76W3	4/1/1941	\$ 34,570
BNY MELLON	FNMA NFMS	3138WA5Z6	2/1/1934	199,083
				<u>\$ 233,653</u>

Total Cash per Schedule of Cash Accounts:	\$	292,409
Less: FDIC coverage:		<u>(250,000)</u>
Uninsured Public Funds:		42,409
Collateral Requirement:		21,205
Pledged Collateral Held by Pledging Financial Institution:		<u>233,653</u>
Balance Over Collateralized:	\$	<u>212,448</u>
Balance Uninsured and Uncollateralized at June 30, 2015:	\$	<u>-</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 New Mexico Connections Academy
 Schedule of Cash Accounts
 June 30, 2015

<u>Bank Account Type</u>	<u>Wells Fargo</u>
Checking - Operational Account	<u>\$ 292,409</u>
<i>Total on Deposit</i>	292,409
Reconciling Items	<u>(18,118)</u>
Reconciled Balance June 30, 2015	<u>274,291</u>
Less Agency Funds	<u>(391)</u>
<i>Total Cash</i>	<u><u>\$ 273,900</u></u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico Connections Academy
Cash Reconciliation
June 30, 2015

	Operational 11000	Instructional Materials 14000	Non-Instruct. Fund 23000	Federal Projects Account 24000	Total
Cash, June 30, 2014	\$ 113,490	25,723	21	(53,622)	85,612
Add:					
2014-15 revenues	4,858,091	56,348	370	245,284	5,160,093
Total Cash Available	4,971,581	82,071	391	191,662	5,245,705
Less:					
2014-15 expenditures	(4,722,577)	(80,280)		(292,631)	(5,095,488)
Receivables/Payables	118,711			5,363	124,074
Outstanding Loans	(95,606)			95,606	-
Cash June 30, 2015	272,109	1,791	391	-	274,291
Fund Balance Reconciliations to GAAP Basis:					
Audit reclassifications to cash					-
Cash Per Books	272,109	1,791	391	-	274,291
Less: Activity Funds Per Schedule of Changes in Assets and Liabilities- Agency Fund:					(391)
					<u>\$ 273,900</u>
Fund Balance Reconciliation to GAAP Basis:					
Modified Accrual Adjustments	(60,210)	(77)	(391)	4,640	(56,038)
Fund Balance, Modified Accrual Basis	<u>\$ 211,899</u>	<u>1,714</u>	<u>-</u>	<u>4,640</u>	<u>218,253</u>
					<u>\$ 218,253</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico International School
Statement of Net Position
June 30, 2015

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 205,988
Receivables	
Due from Other Governments	32,094
Deposits	<u>19,755</u>
Total Current Assets	<u>257,837</u>

Noncurrent Assets:

Capital Assets	
Building Improvements	25,193
Furniture, Fixtures, and Equipment	7,458
Less: Accumulated Depreciation	<u>(9,442)</u>
Total Noncurrent Assets	<u>23,209</u>
Total Assets	<u>281,046</u>

Deferred Outflows - Pension Related	<u>275,368</u>
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LIABILITIES

Current Liabilities:

Accounts Payable	21,898
Accrued Liabilities	137,372
Compensated Absences	<u>5,603</u>
Total Current Liabilities	<u>164,873</u>

Noncurrent Liabilities:

Net Pension Liability	<u>1,431,559</u>
Total Noncurrent Liabilities	<u>1,431,559</u>
Total Liabilities	<u>1,596,432</u>

Deferred Inflows - Pension Related	<u>151,447</u>
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NET POSITION

Investment in Capital Assets	23,209
Restricted	30,302
Unrestricted (Deficit)	<u>(1,244,976)</u>
Total Net Position	<u>\$ (1,191,465)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico International School
Statement of Activities
For The Year Ended June 30, 2015

Functions/Programs	Program Revenues				Net (Expenses) Revenues and Changes in Net Position
	Expenses	Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 928,838	-	44,801	-	(884,037)
Support Services:					
Students	58,412	-	-	-	(58,412)
Instruction	11,250	-	-	-	(11,250)
General Administration	37,476	-	-	-	(37,476)
School Administration	208,734	-	-	-	(208,734)
Central Services	90,639	-	-	-	(90,639)
Operation & Maintenance of Plant	247,889	-	-	-	(247,889)
Other Support Services	284	-	-	-	(284)
Food Services	14,432	16,011	-	-	1,579
Facilities Materials, Supplies & Other	123,918	-	-	122,934	(984)
Total Governmental Activities	\$ 1,721,872	16,011	44,801	122,934	(1,538,126)
General Revenues:					
State Equalization Guarantee					\$ 1,603,881
Miscellaneous					10,730
Total General Revenues					<u>1,614,611</u>
Change in Net Position					76,485
Net Position, Beginning					<u>(23,809)</u>
Restatement Recognized by GASB 68					(1,244,141)
Net Position, Beginning, as Restated					<u>(1,267,950)</u>
Net Position, Ending					<u>\$ (1,191,465)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico International School
Balance Sheets - Governmental Funds
June 30, 2015

	Operational 11000	Instructional Materials 14000	Food Services 21000	IDEA-B Entitlement 24106
ASSETS				
Cash and Cash Equivalents	\$ 189,812	8,968	5,635	1,573
Accounts Receivable				
Due from Government	-	-	-	4,675
Due from Other Funds	27,419	-	-	-
Deposits	19,755	-	-	-
Total Assets	\$ 236,986	8,968	5,635	6,248
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 17,842	-	4,056	-
Accrued Expenditures	131,124	-	-	6,248
Due to Other Funds	-	-	-	-
Total Liabilities	148,966	-	4,056	6,248
Fund Balances				
Fund Balance:				
Nonspendable:				
Deposits	19,755	-	-	-
Restricted for:				
Instruction	-	8,968	-	-
Food Service Operations	-	-	1,579	-
Assigned to:				
Subsequent Years Expenditures and Other Programs	68,265	-	-	-
Total Fund Balance	88,020	8,968	1,579	-
Total Liabilities and Fund Balances	\$ 236,986	8,968	5,635	6,248

The accompanying notes are an integral part of these financial statements

Teacher Principal Training 24154	2012 SB-66 Student Library 27107	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Total
-	-	-	-	205,988
2,863	2,903	18,961	2,692	32,094
-	-	-	-	27,419
-	-	-	-	19,755
<u>2,863</u>	<u>2,903</u>	<u>18,961</u>	<u>2,692</u>	<u>285,256</u>
-	-	-	-	21,898
-	-	-	-	137,372
<u>2,863</u>	<u>2,903</u>	<u>18,961</u>	<u>2,692</u>	<u>27,419</u>
<u>2,863</u>	<u>2,903</u>	<u>18,961</u>	<u>2,692</u>	<u>186,689</u>
-	-	-	-	19,755
-	-	-	-	8,968
-	-	-	-	1,579
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>68,265</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>98,567</u>
<u>2,863</u>	<u>2,903</u>	<u>18,961</u>	<u>2,692</u>	<u>285,256</u>

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STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico International School
Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
June 30, 2015

Fund Balances - Total Governmental Funds **\$ 98,567**

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

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

Capital Assets	32,651	
Accumulated Depreciation	<u>(9,442)</u>	
		23,209

Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds		275,368
--	--	---------

Long-term liabilities are not due in the current period and, therefore, are not reported in the funds.		
Compensated Absences	<u>(5,603)</u>	
		(5,603)

Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds		(151,447)
---	--	-----------

The net pension liability is not due and payable in the current period and, therefore, is not reported in the funds		<u>(1,431,559)</u>
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Net Position-Total Governmental Activities **\$ (1,191,465)**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico International School
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit)
Governmental Funds
For The Year Ended June 30, 2015

	Operational 11000	Instructional Materials 14000	Food Services 21000	IDEA-B Entitlement 24106
REVENUES				
State Grant	\$ 1,603,881	14,728	-	-
Federal Grant	-	-	-	24,307
Charges for Services	-	-	16,011	-
Miscellaneous Income	10,730	-	-	-
Total Revenues	<u>1,614,611</u>	<u>14,728</u>	<u>16,011</u>	<u>24,307</u>
EXPENDITURES				
Current:				
Instruction	832,891	17,945	-	24,307
Support Services:				
Students	58,412	-	-	-
Instruction	8,347	-	-	-
General Administration	37,476	-	-	-
School Administration	196,670	-	-	-
Central Services	88,099	-	-	-
Operation & Maintenance of Plant	247,889	-	-	-
Other Support Services Operations	284	-	-	-
Food Services Operations	-	-	14,432	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>1,470,068</u>	<u>17,945</u>	<u>14,432</u>	<u>24,307</u>
Net Changes in Fund Balances	<u>144,543</u>	<u>(3,217)</u>	<u>1,579</u>	<u>-</u>
Fund Balances (Deficit) - Beginning of Year	<u>(56,523)</u>	<u>12,185</u>	<u>-</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ 88,020</u>	<u>8,968</u>	<u>1,579</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements

Teacher Principal Training 24154	2012 SB-66 Student Library 27107	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Total
-	2,903	120,242	2,692	1,744,446
2,863	-	-	-	27,170
-	-	-	-	16,011
-	-	-	-	10,730
<u>2,863</u>	<u>2,903</u>	<u>120,242</u>	<u>2,692</u>	<u>1,798,357</u>
2,863	-	-	-	878,006
-	-	-	-	58,412
-	2,903	-	-	11,250
-	-	-	-	37,476
-	-	-	-	196,670
-	-	-	-	88,099
-	-	-	-	247,889
-	-	-	-	284
-	-	-	-	14,432
-	-	120,242	2,692	122,934
<u>2,863</u>	<u>2,903</u>	<u>120,242</u>	<u>2,692</u>	<u>1,655,452</u>
-	-	-	-	142,905
-	-	-	-	(44,338)
-	-	-	-	98,567

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico International School
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances (Deficit) of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2015

Net Change in Fund Balances-Total Governmental Funds **\$ 142,905**

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

Capital outlays to purchase or build capital assets are reported in
 governmental funds as expenditures. However, for governmental
 activities those costs are shown in the Statement of Net Position and
 allocated over their estimated useful lives as annual depreciation
 expenses in the Statement of Activities. This is the amount by which
 capital outlay exceeds depreciation for the period

Depreciation Expense	(2,923)
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Changes in long-term liabilities

Change in Net Pension Liability	(63,497)
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Change in Net Position-Total Governmental Activities	\$ 76,485
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The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico International School
Statement of Fiduciary Assets and Liabilities- Agency Funds
June 30, 2015

	<u>Funds</u>
ASSETS	
Cash in Bank	<u>\$ 66,915</u>
Total Assets	<u><u>\$ 66,915</u></u>
 LIABILITIES	
Deposits Held for Others	<u>\$ 66,915</u>
Total Liabilities	<u><u>\$ 66,915</u></u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico International School
Schedule of Changes in Assets and Liabilities - Agency Funds
For The Year Ended June 30, 2015

	<u>Balance July 1, 2014</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2015</u>
ASSETS				
Cash in Bank	\$ 30,152	74,979	(38,216)	66,915
Total Assets	<u>\$ 30,152</u>	<u>74,979</u>	<u>(38,216)</u>	<u>66,915</u>
LIABILITIES				
Deposits Held for Others	\$ 30,152	74,979	(38,216)	66,915
Total Liabilities	<u>\$ 30,152</u>	<u>74,979</u>	<u>(38,216)</u>	<u>66,915</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico International School
Notes to the Financial Statements
June 30, 2015

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Capital Assets. Capital assets purchased or acquired are 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. New Mexico International School's capitalization policy (i.e., the dollar value above which the asset acquisitions are added to the capital accounts) is \$5,000. The New Mexico International School does not capitalize any interest with regard to its capital assets.

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

Building Improvements	15 years
Furniture, Fixtures and Equipment	3-15 years

Capital assets for New Mexico International School are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB's Fiduciary Net Position have been determined on the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico International School
Notes to the Financial Statements
June 30, 2015

NOTE 2. CAPITAL ASSETS

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

	<u>Balance</u> <u>June 30, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2015</u>
<i>Capital Assets being Depreciated:</i>	\$			
Furniture, Fixtures and Equipment	7,458	-	-	7,458
Building Improvements	25,193	-	-	25,193
<i>Total</i>	<u>32,651</u>	<u>-</u>	<u>-</u>	<u>32,651</u>
<i>Less: Accumulated Depreciation</i>				
Furniture, Fixtures and Equipment	(6,215)	(1,243)	-	(7,458)
Building Improvements	(304)	(1,680)	-	(1,984)
<i>Total</i>	<u>(6,519)</u>	<u>(2,923)</u>	<u>-</u>	<u>(9,442)</u>
Capital Assets, Net	<u>\$ 26,132</u>	<u>(2,923)</u>	<u>-</u>	<u>23,209</u>

Depreciation expensed for the year ended June 30, 2015 was expensed to the following functions:

Instruction	\$ 1,939
Facilities, Materials, Supplies & Other	<u>984</u>
Total	<u>\$ 2,923</u>

NOTE 3. COMMITMENTS AND LIABILITIES

New Mexico International School leases facilities under long-term cancelable operating leases. Lease expenses for the year ended June 30, 2015 was \$242,448. New Mexico International School's minimum future payments on this lease are as follows:

Year Ending June 30:	
2016	\$ 258,612
Total	<u>\$ 258,612</u>

The New Mexico International School had a compensated absences liability of \$5,603, all of which is considered a current liability.

NOTE 4. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to New Mexico International School and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions. The contribution requirements of defined benefit plan members and New Mexico International School are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year ended June 30, 2014, employers contributed 13.15% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.10% of their gross annual salary. For fiscal year ended June 30, 2015 employers contributed 13.90% and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 contributed an increased amount of 10.70% of their gross annual salary. Contributions to the pension plan from New Mexico International School were \$97,398 for the year ended June 30, 2015.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2013. The total ERB pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2014, using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date June 30, 2014. At June 30, 2015, New Mexico International School reported a liability of \$1,431,559 for its proportionate share of the net pension liability. New Mexico International School's proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2014. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2014, New Mexico International School's proportion was 0.02509%, which was an increase of 0.00382% from its proportion measured as of June 30, 2013.

For the year ended June 30, 2015, New Mexico International School recognized pension expense of \$160,895. At June 30, 2015, New Mexico International School reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico International School
Notes to the Financial Statements
June 30, 2015

NOTE 4. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	21,323
Net difference between projected and actual earnings on pension plan investments	-	130,124
Changes in proportion and differences between New Mexico International Charter School contributions and proportionate share of contributions	177,970	-
New Mexico International Charter School contributions subsequent to the measurement date	97,398	-
Total	<u>\$ 275,368</u>	<u>151,447</u>

The amount of \$97,398 reported as deferred outflows of resources related to pensions resulting from New Mexico International School contributions subsequent to the measurement date of June 30, 2014 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:		
2016	\$	(21,857)
2017		(21,857)
2018		(15,331)
2019		32,522
Total	<u>\$</u>	<u>(26,523)</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 New Mexico International School
 Notes to the Financial Statements
 June 30, 2015

NOTE 4. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

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

	<u>1% Decrease (6.75%)</u>	<u>Current Discount Rate (7.75%)</u>	<u>1% Increase (8.75%)</u>
New Mexico International School’s proportionate share of the net pension liability	\$ 1,947,804	1,431,559	1,000,267

Payables to the pension plan. At June 30, 2015, New Mexico International School owed \$31,748 to ERB for fiscal year 2015 contributions.

NOTE 5. RESTATEMENT

As a result of implementation of GASB No. 68, *Accounting and Financial Reporting for Pensions*, net position at June 30, 2014 was restated in the amount of \$(1,244,141).

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
NEW MEXICO INTERNATIONAL SCHOOL
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2015**

**New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)**

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.03%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 1,432	-	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 692	-	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	207.02%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30, 2014

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
NEW MEXICO INTERNATIONAL SCHOOL
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2015

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 91	-	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	91	-	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ -	-	-	-	-	-	-	-	-	-

Year	Total Amount Deferred	Amortization Years	Increase (Decrease) in Pension Expense over Recognition Periods											
			2015	2016	2017	2018	2019	2020	2021	2022	2023	2024		
2014	\$ (27)	5	\$ (22)	(22)	(22)	(15)	32	-	-	-	-	-	-	-
2015	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2016	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2017	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2018	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2019	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2020	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2021	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2022	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2023	-	5	-	-	-	-	-	-	-	-	-	-	-	-
	\$ (27)		\$ (22)	(22)	(22)	(15)	32	-	-	-	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico International School
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 1,548,534	1,603,881	1,603,881	-
Miscellaneous	-	8,774	10,730	1,956
Total Revenues	1,548,534	1,612,655	1,614,611	1,956
EXPENDITURES				
Current:				
Instruction	924,113	882,749	833,087	49,662
Support Services:				
Students	77,629	80,724	60,291	20,433
Instruction	2,900	8,458	8,347	111
General Administration	25,800	39,706	36,085	3,621
School Administration	234,432	209,881	197,254	12,627
Central Services	64,040	94,138	90,978	3,160
Operation & Maintenance of Plant	219,620	296,699	228,147	68,552
Other Support Services Operations	-	300	284	16
Total Expenditures	1,548,534	1,612,655	1,454,473	158,182
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	160,138	160,138
Net Changes in Fund Balances	-	-	160,138	160,138
Cash or Fund Balances - Beginning of Year	-	-	(56,523)	(56,523)
Cash or Fund Balances - End of Year	\$ -	-	103,615	103,615
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 160,138	
Adjustments to Revenues			-	
Adjustments to Expenditures			(15,595)	
NET CHANGE IN FUND BALANCE			\$ 144,543	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico International School
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
REVENUES				
State Grant	\$ 8,385	11,785	14,728	2,943
Total Revenues	<u>8,385</u>	<u>11,785</u>	<u>14,728</u>	<u>2,943</u>
EXPENDITURES				
Current:				
Instruction	17,957	21,357	17,945	3,412
Total Expenditures	<u>17,957</u>	<u>21,357</u>	<u>17,945</u>	<u>3,412</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(9,572)</u>	<u>(9,572)</u>	<u>(3,217)</u>	<u>6,355</u>
Other Financing Sources (Uses):				
Designated Cash	9,572	9,572	-	(9,572)
Total Other Financing Sources (Uses):	<u>9,572</u>	<u>9,572</u>	<u>-</u>	<u>(9,572)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(3,217)</u>	<u>(3,217)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>12,185</u>	<u>12,185</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>8,968</u>	<u>8,968</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (3,217)	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (3,217)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico International School
Schedule of Budgetary Comparisons - Budgetary Basis
Food Services 21000
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Charges for Services	\$ -	14,075	16,011	1,936
Total Revenues	<u>-</u>	<u>14,075</u>	<u>16,011</u>	<u>1,936</u>
EXPENDITURES				
Current:				
Food Services Operations	-	14,075	10,376	3,699
Total Expenditures	<u>-</u>	<u>14,075</u>	<u>10,376</u>	<u>3,699</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	5,635	5,635
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>5,635</u>	<u>5,635</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>5,635</u>	<u>5,635</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 5,635	
Adjustments to Revenues			-	
Adjustments to Expenditures			<u>(4,056)</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 1,579</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico International School
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Entitlement 24106
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 24,307	27,028	20,568	(6,460)
Total Revenues	<u>24,307</u>	<u>27,028</u>	<u>20,568</u>	<u>(6,460)</u>
EXPENDITURES				
Current:				
Instruction	24,307	27,028	24,307	2,721
Total Expenditures	<u>24,307</u>	<u>27,028</u>	<u>24,307</u>	<u>2,721</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(3,739)	(3,739)
Net Changes in Fund Balances	-	-	(3,739)	(3,739)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(3,739)</u>	<u>(3,739)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (3,739)	
Adjustments to Revenues			3,739	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 New Mexico International School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Teacher Principal Training 24154
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
REVENUES				
Federal Grant	\$ 1,687	2,863	1,487	(1,376)
Total Revenues	<u>1,687</u>	<u>2,863</u>	<u>1,487</u>	<u>(1,376)</u>
EXPENDITURES				
Current:				
Instruction	1,687	2,863	2,863	-
Total expenditures	<u>1,687</u>	<u>2,863</u>	<u>2,863</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(1,376)	(1,376)
Net changes in Fund Balances	-	-	(1,376)	(1,376)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(1,376)</u>	<u>(1,376)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (1,376)	
Adjustments to Revenues			1,376	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 New Mexico International School
 Schedule of Budgetary Comparisons - Budgetary Basis
 2012 SB-66 Student Library 27107
 For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 3,140	3,140	-	(3,140)
Total Revenues	3,140	3,140	-	(3,140)
EXPENDITURES				
Current:				
Instruction	3,140	3,140	2,903	237
Total Expenditures	3,140	3,140	2,903	237
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(2,903)	(2,903)
Net Changes in Fund Balances	-	-	(2,903)	(2,903)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	(2,903)	(2,903)
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (2,903)	
Adjustments to Revenues			2,903	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico International School
Schedule of Budgetary Comparisons - Budgetary Basis
Public School Capital Outlay 31200
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	120,242	101,281	(18,961)
Total Revenues	<u>-</u>	<u>120,242</u>	<u>101,281</u>	<u>(18,961)</u>
EXPENDITURES				
Capital Outlay	-	120,242	120,242	-
Total Expenditures	<u>-</u>	<u>120,242</u>	<u>120,242</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(18,961)	(18,961)
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(18,961)</u>	<u>(18,961)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(18,961)</u>	<u>(18,961)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (18,961)	
Adjustments to Revenues			18,961	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico International School
Schedule of Budgetary Comparisons - Budgetary Basis
SB-9 Capital Improvements 31700
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 5,231	5,231	-	(5,231)
Total Revenues	<u>5,231</u>	<u>5,231</u>	<u>-</u>	<u>(5,231)</u>
EXPENDITURES				
Capital Outlay	5,231	5,231	2,692	2,539
Total Expenditures	<u>5,231</u>	<u>5,231</u>	<u>2,692</u>	<u>2,539</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(2,692)	(2,692)
Net Changes in Fund Balances	-	-	(2,692)	(2,692)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(2,692)</u>	<u>(2,692)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (2,692)	
Adjustments to Revenues			2,692	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico International School
Schedule of Collateral Pledged by Depository for Public Funds
June 30, 2015

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2015</u>
BNY Mellon	FNMA FNMS	3138X0A24	7/1/2043	\$ 27,509
				<u>\$ 27,509</u>
Total Cash per Schedule of Cash Accounts:				\$ 290,882
Less: FDIC coverage:				<u>(250,000)</u>
Uninsured Public Funds:				40,882
Collateral Requirement:				20,441
Pledged Collateral Held by Pledging Financial Institution:				<u>27,509</u>
Balance Over Collateralized:				<u><u>\$ 7,068</u></u>
Balance Uninsured and Uncollateralized at June 30, 2015:				<u><u>\$ 13,373</u></u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 New Mexico International School
 Schedule of Cash Accounts
 June 30, 2015

<u>Bank Account Type</u>	<u>Wells Fargo</u>
Checking - Operational Account	\$ 290,882
<i>Total on Deposit</i>	290,882
Reconciling Items	<u>(17,979)</u>
Reconciled Balance June 30, 2015	<u>272,903</u>
Less Agency Funds	<u>(66,915)</u>
<i>Total Cash</i>	<u><u>\$ 205,988</u></u>

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico International School
Cash Reconciliation
June 30, 2015

	Operational 11000	Instructional Materials 14000	Food Services 21000	Non-Instruct. Fund 23000
Cash, June 30, 2014	\$ 106,250	12,185	-	30,152
Add:				
2014-15 revenues	1,614,611	14,728	16,011	74,979
Total Cash Available	1,720,861	26,913	16,011	105,131
Less:				
2014-15 expenditures	(1,454,473)	(17,945)	(10,376)	(38,216)
Receivables/Payables	(51,861)	-	-	-
Outstanding Loans	(24,715)	-	-	-
Cash June 30, 2015	189,812	8,968	5,635	66,915
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	-	-	-	-
Cash Per Books	189,812	8,968	5,635	66,915
Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	(101,792)	-	(4,056)	(66,915)
Fund Balance, Modified Accrual Basis	\$ 88,020	8,968	1,579	-

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

Federal Projects Account 24000	State Account 27000	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Total
-	-	-	-	148,587
22,336	-	101,281	-	1,843,946
22,336	-	101,281	-	1,992,533
(27,170)	(2,903)	(120,242)	(2,692)	(1,674,017)
6,248	-	-	-	(45,613)
159	2,903	18,961	2,692	-
1,573	-	-	-	272,903
-	-	-	-	-
1,573	-	-	-	272,903
Less: Activity Funds Per Schedule of Changes in Assets and Liabilities- Agency Fund:				(66,915)
				<u>\$ 205,988</u>
(1,573)	-	-	-	(174,336)
-	-	-	-	98,567

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 New Mexico School for the Arts
 Statement of Net Position
 June 30, 2015

ASSETS

Current Assets:

Cash and Cash Equivalents	\$ 556,961
Receivables	
Due from Other Governments	131,056
Deposits	12,500
Prepaid Expenditures	14,583
Total Current Assets	<u>715,100</u>

Noncurrent Assets:

Capital Assets	
Furniture, Fixtures, and Equipment	153,311
Less: Accumulated Depreciation	(83,968)
Total Noncurrent Assets	<u>69,343</u>
Total Assets	<u>784,443</u>

Deferred Outflows:-Pension Related 451,610

LIABILITIES

Current Liabilities:

Accounts Payable	4,224
Accrued Liabilities	152,625
Total Current Liabilities	<u>156,849</u>

Noncurrent Liabilities:

Net Pension Liability	<u>2,345,617</u>
Total Noncurrent Liabilities	2,345,617

Total Liabilities 2,502,466

Deferred Inflows: -Pension related 248,156

NET POSITION

Investment in Capital Assets	69,343
Restricted	383,795
Unrestricted (Deficit)	(1,967,707)
Total Net Position	<u>\$ (1,514,569)</u>

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico School for the Arts
Statement of Activities
For The Year Ended June 30, 2015

Functions/Programs	Program Revenues				Net (Expenses) Revenues and Changes in Net Position
	Expenses	Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 1,301,166	9,483	256,234	-	(1,035,449)
Support Services:					
Students	96,121	-	-	-	(96,121)
Instruction	207,634	-	-	-	(207,634)
General Administration	28,864	-	-	-	(28,864)
School Administration	294,268	-	-	-	(294,268)
Central Services	175,280	-	-	-	(175,280)
Operation & Maintenance of Plant	246,832	-	-	-	(246,832)
Food Services	48,112	16,539	12,905	-	(18,668)
Facilities Materials, Supplies & Other Services	223,619	-	-	178,311	(45,308)
Total Governmental Activities	\$ 2,621,896	26,022	269,139	178,311	(2,148,424)
General Revenues:					
Property Taxes					\$ 158,726
State Equalization Guarantee					1,895,748
Miscellaneous					2,942
Total General Revenues					<u>2,057,416</u>
Change in Net Position					(91,008)
Net Position- Beginning					<u>645,054</u>
Restatement Recognized by GASB 68					<u>(2,068,615)</u>
Net position - Beginning, as Restated					<u>(1,423,561)</u>
Net position, Ending					<u>\$ (1,514,569)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico School for the Arts
Balance Sheets - Governmental Funds
June 30, 2015

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101
ASSETS				
Cash and Cash Equivalents	\$ 198,009	385	1,369	-
Accounts Receivable				
Due from Government	2,398	-	1,458	11,751
Due from Other Funds	116,161	-	-	-
Deposits	12,500	-	-	-
Prepaid Expenditures	14,583	-	-	-
Total Assets	\$ 343,651	385	2,827	11,751
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 4,224	-	-	-
Accrued Expenditures	137,888	-	11	3,309
Due to Other Funds	-	-	-	8,442
Total Liabilities	142,112	-	11	11,751
Fund Balances				
Fund Balance:				
Nonspendable:				
Deposits	12,500	-	-	-
Prepaid Expenditures	14,583	-	-	-
Restricted for:				
Instruction	-	385	-	-
Food Service Operations	-	-	2,816	-
Capital Improvements	-	-	-	-
Assigned to:				
Subsequent Years Expenditures and Other Programs	174,456	-	-	-
Total Fund Balance	201,539	385	2,816	-
Total Liabilities and Fund Balances	\$ 343,651	385	2,827	11,751

The accompanying notes are an integral part of these financial statements

IDEA-B Entitlement 24106	IDEA-B Risk Pool 24120	Teacher Principal Training 24154	Dual Credit 27103	Stipends Serving At-Risk 27122	Incentive Pay 27188
-	-	-	-	-	-
4,022	40	866	-	-	61,506
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>4,022</u>	<u>40</u>	<u>866</u>	<u>-</u>	<u>-</u>	<u>61,506</u>
-	-	-	-	-	-
1,001	-	825	-	-	3,092
3,021	40	41	-	-	58,414
<u>4,022</u>	<u>40</u>	<u>866</u>	<u>-</u>	<u>-</u>	<u>61,506</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>4,022</u>	<u>40</u>	<u>866</u>	<u>-</u>	<u>-</u>	<u>61,506</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico School for the Arts
Balance Sheets - Governmental Funds - (Continued)
June 30, 2015

	Incentive Pay 27190	Private Dir Grants 29102	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700
ASSETS				
Cash and Cash Equivalents	\$ -	84,403	-	244,486
Accounts Receivable				
Due from Government	9,559	-	37,183	2,273
Due from Other Funds	-	-	-	-
Deposits	-	-	-	-
Prepaid Expenditures	-	-	-	-
Total Assets	\$ 9,559	84,403	37,183	246,759
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ -	-	-	-
Accrued Expenditures	539	5,960	-	-
Due to Other Funds	9,020	-	37,183	-
Total Liabilities	9,559	5,960	37,183	-
Fund Balances				
Fund Balance:				
Nonspendable:				
Deposits	-	-	-	-
Prepaid Expenditures	-	-	-	-
Restricted for:				
Instruction	-	78,443	-	-
Food Service Operations	-	-	-	-
Capital Improvements	-	-	-	246,759
Assigned to:				
Subsequent Years Expenditures and Other Programs	-	-	-	-
Total Fund Balance	-	78,443	-	246,759
Total Liabilities and Fund Balances	\$ 9,559	84,403	\$ 37,183	\$ 246,759

The accompanying notes are an integral part of these financial statements

Educational Technology Equipment 31900	Total
28,309	556,961
-	131,056
-	116,161
-	12,500
-	14,583
<u>28,309</u>	<u>831,261</u>
-	4,224
-	152,625
-	116,161
<u>-</u>	<u>273,010</u>
-	12,500
-	14,583
-	78,828
-	2,816
28,309	275,068
<u>-</u>	<u>174,456</u>
<u>28,309</u>	<u>558,251</u>
<u>\$ 28,309</u>	<u>831,261</u>

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STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico School for the Arts
Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
June 30, 2015

Fund Balances - Total Governmental Funds **\$ 558,251**

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

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

Capital Assets	153,311	
Accumulated Depreciation	<u>(83,968)</u>	
		69,343

Defined benefit pension plan deferred outflows are not financial
 resources and, therefore, are not reported in the funds. 451,610

Defined benefit pension plan deferred inflows are not due and
 payable in the current period and, therefore, are not reported
 in the funds. (248,156)

The net pension liability is not due and payable in the current
 period and, therefore, is not reported in the funds. (2,345,617)

Deficit-Total Governmental Activities **\$ (1,514,569)**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico School for the Arts
Statement of Revenues, Expenditures, and Changes In Fund Balances
Governmental Funds
For The Year Ended June 30, 2015

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101
REVENUES				
Property Taxes	\$ -	-	-	-
Local & County Grant	-	-	-	-
State Grant	1,895,748	13,414	-	-
Federal Grant	9,721	-	12,905	31,585
Fees	9,483	-	16,539	-
Miscellaneous Income	2,942	-	-	-
Total Revenues	<u>1,917,894</u>	<u>13,414</u>	<u>29,444</u>	<u>31,585</u>
EXPENDITURES				
Current:				
Instruction	1,079,218	15,501	-	27,874
Support Services:				
Students	84,564	-	-	3,711
Instruction	142,147	-	-	-
General Administration	26,454	-	-	-
School Administration	285,569	-	-	-
Central Services	170,409	-	-	-
Operation & Maintenance of Plant	234,625	-	-	-
Food Services Operations	20,147	-	26,628	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>2,043,133</u>	<u>15,501</u>	<u>26,628</u>	<u>31,585</u>
Net Changes in Fund Balances	<u>(125,239)</u>	<u>(2,087)</u>	<u>2,816</u>	<u>-</u>
Fund Balances - Beginning of Year	<u>326,778</u>	<u>2,472</u>	<u>-</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ 201,539</u>	<u>385</u>	<u>2,816</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements

IDEA-B Entitlement 24106	IDEA-B Risk Pool 24120	Teacher Principal Training 24154	Dual Credit 27103	Stipends Serving At-Risk 27122	Incentive Pay 27188
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	494	-	61,506
36,818	40	2,753	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>36,818</u>	<u>40</u>	<u>2,753</u>	<u>494</u>	<u>-</u>	<u>61,506</u>
31,643	40	2,283	494	-	61,506
5,175	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	470	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>36,818</u>	<u>40</u>	<u>2,753</u>	<u>494</u>	<u>-</u>	<u>61,506</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>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico School for the Arts
Statement of Revenues, Expenditures, and Changes In Fund Balances - Continued
Governmental Funds
For The Year Ended June 30, 2015

	Incentive Pay 27190	Private Dir Grants 29102	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700
REVENUES				
Property Taxes	\$ -	-	-	158,726
Local & County Grant	-	99,903	-	-
State Grant	9,559	-	148,730	-
Federal Grant	-	-	-	-
Fees	-	-	-	-
Miscellaneous Income	-	-	-	-
Total Revenues	<u>9,559</u>	<u>99,903</u>	<u>148,730</u>	<u>158,726</u>
EXPENDITURES				
Current:				
Instruction	6,549	36,665	-	-
Support Services:				
Students	-	-	-	-
Instruction	3,010	59,633	-	-
General Administration	-	-	-	1,608
School Administration	-	51	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	148,730	72,454
Total Expenditures	<u>9,559</u>	<u>96,349</u>	<u>148,730</u>	<u>74,062</u>
Net Changes in Fund Balances	<u>-</u>	<u>3,554</u>	<u>-</u>	<u>84,664</u>
Fund Balances - Beginning of Year	<u>-</u>	<u>74,889</u>	<u>-</u>	<u>162,095</u>
Fund Balances - End of Year	<u>\$ -</u>	<u>78,443</u>	<u>-</u>	<u>246,759</u>

The accompanying notes are an integral part of these financial statements

Educational Technology Equipment 31900	Total
-	158,726
29,581	129,484
-	2,119,892
-	93,822
-	26,022
-	2,942
<u>29,581</u>	<u>2,530,888</u>
-	1,255,224
-	93,450
-	201,780
-	28,062
-	286,090
-	170,409
-	234,625
-	46,775
1,272	222,456
<u>1,272</u>	<u>2,538,871</u>
<u>28,309</u>	<u>(7,983)</u>
<u>-</u>	<u>566,234</u>
<u>28,309</u>	<u>558,251</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 of Governmental Funds to the Statement of Activities
 For the Year Ended June 30, 2015

Net Change in Fund Balances-Total Governmental Funds **\$ (7,983)**

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

Capital outlays to purchase or build capital assets are reported in
 governmental funds as expenditures. However, for governmental
 activities those costs are shown in the Statement of Net Position and
 allocated over their estimated useful lives as annual depreciation
 expenses in the Statement of Activities. This is the amount by which
 capital outlay exceeds depreciation for the period

Capital Outlays	14,968	
Depreciation Expense	<u>(24,445)</u>	(9,477)

Changes in long-term liabilities

Change in Net Pension Liability	<u>(73,548)</u>	
---------------------------------	-----------------	--

Change in Net Position-Total Governmental Activities **\$ (91,008)**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 New Mexico School for the Arts
 Statement of Fiduciary Assets and Liabilities- Agency Funds
 June 30, 2015

	<u>Funds</u>
ASSETS	
Cash in Bank	<u>\$ 7,790</u>
Total Assets	<u><u>\$ 7,790</u></u>
 LIABILITIES	
Deposits Held for Others	<u>\$ 7,790</u>
Total Liabilities	<u><u>\$ 7,790</u></u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 New Mexico School for the Arts
 Schedule of Changes in Assets and Liabilities - Agency Funds
 For The Year Ended June 30, 2015

	<u>Balance</u> <u>July 1, 2014</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2015</u>
ASSETS				
Cash in Bank	\$ 10,029	11,035	(13,274)	7,790
Total Assets	<u>\$ 10,029</u>	<u>11,035</u>	<u>(13,274)</u>	<u>7,790</u>
LIABILITIES				
Deposits Held for Others	\$ 10,029	11,035	(13,274)	7,790
Total Liabilities	<u>\$ 10,029</u>	<u>11,035</u>	<u>(13,274)</u>	<u>7,790</u>

The accompanying notes are an integral part of these financial statements

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Capital Assets. Capital assets purchased or acquired are 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. New Mexico School for the Art's capitalization policy (i.e., the dollar value above which the asset acquisitions are added to the capital accounts) is \$5,000. The New Mexico School for the Arts does not capitalize any interest with regard to its capital assets.

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

Furniture, Fixtures and Equipment	5 – 7 years
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Capital assets for New Mexico School for the Arts are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB's Fiduciary Net Position have been determined on the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico School for the Arts
Notes to the Financial Statements
June 30, 2015

NOTE 2. CAPITAL ASSETS

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

	<u>Balance</u> <u>June 30, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2015</u>
<i>Capital Assets being Depreciated:</i>				
Furniture, Fixtures and Equipment	\$ 138,343	14,968	-	153,311
<i>Total</i>	<u>138,343</u>	<u>14,968</u>	<u>-</u>	<u>153,311</u>
<i>Less: Accumulated Depreciation</i>				
Furniture, Fixtures and Equipment	(59,523)	(24,445)	-	(83,968)
<i>Total</i>	<u>(59,523)</u>	<u>(24,445)</u>	<u>-</u>	<u>(83,968)</u>
Capital Assets, Net	<u>\$ 78,820</u>	<u>(9,477)</u>	<u>-</u>	<u>69,343</u>

Depreciation expensed for the year ended June 30, 2015 was expensed to the following functions:

Instruction	\$ 9,599
Operations/Plant Maintenance	5,347
Facilities Materials, Supplies & Other Services	9,499
Total	<u>\$ 24,445</u>

NOTE 3. COMMITMENTS AND LIABILITIES

New Mexico School for the Arts leased facilities under short-term cancelable operating leases. Rental expenses for the year ended June 30, 2015 was \$175,000. New Mexico School for the Arts minimum future payments on this lease are as follows:

Year Ending June 30:	
2016	\$ 189,049
2017	14,583
Total	<u>\$ 203,632</u>

NOTE 4. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to New Mexico School for the Arts and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department. The aggregate amounts of principal maturities and interest of bonds payable are as follows:

Contributions. The contribution requirements of defined benefit plan members and New Mexico School for the Arts are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year ended June 30, 2014, employers contributed 13.15% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.10% of their gross annual salary. For fiscal year ended June 30, 2015 employers contributed 13.90% and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 contributed an increased amount of 10.70% of their gross annual salary. Contributions to the pension plan from New Mexico School for the Arts was \$182,322 for the year ended June 30, 2015.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2013. The total ERB pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2014, using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date June 30, 2014. At June 30, 2015, New Mexico School for the Arts reported a liability of \$2,345,617 for its proportionate share of the net pension liability. New Mexico School for the Arts proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2014. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2014, New Mexico School for the Arts proportion was 0.04111%, which was an increase of 0.00578% from its proportion measured as of June 30, 2013.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico School for the Arts
Notes to the Financial Statements
June 30, 2015

NOTE 4. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

For the year ended June 30, 2015, New Mexico School for the Arts recognized pension expense of \$255,870. At June 30, 2015, New Mexico School for the Arts reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	34,940
Net difference between projected and actual earnings on pension plan investments	-	213,216
Changes in proportion and differences between New Mexico School for the Arts contributions and proportionate share of contributions	269,288	-
New Mexico School for the Arts contributions subsequent to the measurement date	<u>182,322</u>	<u>-</u>
Total	<u>\$ 451,610</u>	<u>248,156</u>

New Mexico School for the Arts reported \$182,322 as deferred outflows of resources related to pensions resulting from New Mexico School for the Arts contributions subsequent to the measurement date June 30, 2014 and will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2016	(28,063)
2017	(28,063)
2018	(18,299)
2019	<u>53,353</u>
	<u><u>\$(21,072)</u></u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico School for the Arts
Notes to the Financial Statements
June 30, 2015

NOTE 4. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

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

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
New Mexico School for the Arts proportionate share of the net pension liability	\$ 3,191,485	2,345,617	1,638,999

Payables to the pension plan. At June 30, 2015, New Mexico School for the Arts owed \$24,999 to ERB for fiscal year 2015 contributions.

NOTE 5. RESTATEMENT

As a result of implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pension*, net position at June 30, 2014 was restated in the amount of \$(2,068,615).

NOTE 6. OVERSPENT BUDGET LINE ITEM

As stated in finding 2015-003, New Mexico School for the Arts had expenditures in excess of the budget in the following fund:

Private Dir Grants (Instruction)	\$	796
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**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
NEW MEXICO SCHOOL FOR THE ARTS
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2015**

**New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)**

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.04%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 2,346	-	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 1,133	-	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	207.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30, 2014

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 NEW MEXICO SCHOOL FOR THE ARTS
 SCHEDULE OF SCHOOL CONTRIBUTIONS
 June 30, 2015

New Mexico Educational Retirement Board Pension Plan
 Schedule of Ten Year Tracking Data
 (Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 149	-	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	149	-	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ -	-	-	-	-	-	-	-	-	-

Increase (Decrease) in Pension Expense over Recognition Periods

Year	Total Amount Deferred	Amortization Years	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
2014	\$ (21)	5		\$ (28)	(28)	(18)	53	-	-	-	-	-
2015	-	5			-	-	-	-	-	-	-	-
2016	-	5				-	-	-	-	-	-	-
2017	-	5					-	-	-	-	-	-
2018	-	5						-	-	-	-	-
2019	-	5							-	-	-	-
2020	-	5								-	-	-
2021	-	5									-	-
2022	-	5										-
2023	-	5										-
	\$ (21)			\$ (28)	(28)	(18)	53	-	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico School for the Arts
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2015

	Budgeted Amounts			Variance Positive (Negative)
	Original Budget	Final Budget	Actual Amount	
REVENUES				
State Grant	\$ 1,894,802	1,895,748	1,895,748	-
Federal Grant	6,000	6,000	9,583	3,583
Miscellaneous	1,150	1,150	15,029	13,879
Charges for Services	-	-	-	-
Total Revenues	<u>1,901,952</u>	<u>1,902,898</u>	<u>1,920,360</u>	<u>17,462</u>
EXPENDITURES				
Current:				
Instruction	1,081,682	1,092,628	1,085,572	7,056
Support Services:				
Students	75,255	90,015	84,564	5,451
Instruction	63,966	148,836	142,399	6,437
General Administration	27,500	31,500	23,582	7,918
School Administration	408,602	293,002	286,206	6,796
Central Services	160,677	179,407	170,211	9,196
Operation & Maintenance of Plant	401,554	371,799	234,333	137,466
Food Services Operations	19,488	22,488	20,147	2,341
Total Expenditures	<u>2,238,724</u>	<u>2,229,675</u>	<u>2,047,014</u>	<u>182,661</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	<u>(336,772)</u>	<u>(326,777)</u>	<u>(126,654)</u>	<u>200,123</u>
Other Financing Sources (Uses):				
Designated Cash	336,772	326,777	-	(326,777)
Total Other Financing Sources (Uses):	<u>336,772</u>	<u>326,777</u>	<u>-</u>	<u>(326,777)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(126,654)</u>	<u>(126,654)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>326,778</u>	<u>326,778</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>200,124</u>	<u>200,124</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ (126,654)	
Adjustments to Revenues			(2,467)	
Adjustments to Expenditures			3,882	
NET CHANGE IN FUND BALANCE			<u>\$ (125,239)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico School for the Arts
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 10,333	13,945	15,635	1,690
Total Revenues	10,333	13,945	15,635	1,690
EXPENDITURES				
Current:				
Instruction	12,040	16,417	15,501	916
Total Expenditures	12,040	16,417	15,501	916
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	(1,707)	(2,472)	134	2,606
Other Financing Sources (Uses):				
Designated Cash	1,707	2,472	-	(2,472)
Total Other Financing Sources (Uses):	1,707	2,472	-	(2,472)
Net Changes in Fund Balances	-	-	134	134
Cash or Fund Balances - Beginning of Year	-	-	2,472	2,472
Cash or Fund Balances - End of Year	\$ -	-	2,606	2,606
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ 134	
Adjustments to Revenues			(2,221)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ (2,087)	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico School for the Arts
Schedule of Budgetary Comparisons - Budgetary Basis
Food Services 21000
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 14,000	14,000	11,448	(2,552)
Fees	20,100	20,100	18,493	(1,607)
Total Revenues	<u>34,100</u>	<u>34,100</u>	<u>29,941</u>	<u>(4,159)</u>
EXPENDITURES				
Current:				
Food Services Operations	34,100	34,100	26,628	7,472
Total Expenditures	<u>34,100</u>	<u>34,100</u>	<u>26,628</u>	<u>7,472</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	3,313	3,313
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>3,313</u>	<u>3,313</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>3,313</u>	<u>3,313</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 3,313	
Adjustments to Revenues			(497)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 2,816</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 New Mexico School for the Arts
 Schedule of Budgetary Comparisons - Budgetary Basis
 Title I IASA 24101
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 21,316	36,554	29,511	(7,043)
Total Revenues	<u>21,316</u>	<u>36,554</u>	<u>29,511</u>	<u>(7,043)</u>
EXPENDITURES				
Current:				
Instruction	21,316	32,843	27,874	4,969
Support Services:				
Students	-	3,711	3,711	-
Total Expenditures	<u>21,316</u>	<u>36,554</u>	<u>31,585</u>	<u>4,969</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(2,074)</u>	<u>(2,074)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(2,074)</u>	<u>(2,074)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(2,074)</u>	<u>(2,074)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (2,074)	
Adjustments to Revenues			2,074	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico School for the Arts
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Entitlement 24106
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 26,897	58,944	48,058	(10,886)
Total Revenues	26,897	58,944	48,058	(10,886)
EXPENDITURES				
Current:				
Instruction	26,897	46,397	31,643	14,754
Support Services:				
Students	-	12,547	5,175	7,372
Total Expenditures	26,897	58,944	36,818	22,126
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	11,240	11,240
Net Changes in Fund Balances	-	-	11,240	11,240
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	11,240	11,240
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 11,240	
Adjustments to Revenues			(11,240)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico School for the Arts
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Risk Pool 24120
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ -	40	-	(40)
Total Revenues	<u>-</u>	<u>40</u>	<u>-</u>	<u>(40)</u>
EXPENDITURES				
Current:				
Instruction	-	40	40	-
Total Expenditures	<u>-</u>	<u>40</u>	<u>40</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(40)</u>	<u>(40)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(40)</u>	<u>(40)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(40)</u>	<u>(40)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (40)	
Adjustments to Revenues			40	
Adjustments to Expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 New Mexico School for the Arts
 Schedule of Budgetary Comparisons - Budgetary Basis
 Teacher Principal Training 24154
 For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 6,186	12,800	4,455	(8,345)
Total Revenues	<u>6,186</u>	<u>12,800</u>	<u>4,455</u>	<u>(8,345)</u>
EXPENDITURES				
Current:				
Instruction	4,200	8,814	3,109	5,705
Support Services:				
School Administration	1,986	3,986	470	3,516
Total expenditures	<u>6,186</u>	<u>12,800</u>	<u>3,579</u>	<u>9,221</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>876</u>	<u>876</u>
Net changes in Fund Balances	<u>-</u>	<u>-</u>	<u>876</u>	<u>876</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>876</u>	<u>876</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 876	
Adjustments to Revenues			(1,743)	
Adjustments to Expenditures			867	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 New Mexico School for the Arts
 Schedule of Budgetary Comparisons - Budgetary Basis
 Dual Credit 27103
 For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	1,222	559	(663)
Total Revenues	<u>-</u>	<u>1,222</u>	<u>559</u>	<u>(663)</u>
EXPENDITURES				
Current:				
Instruction	-	1,222	494	728
Total Expenditures	<u>-</u>	<u>1,222</u>	<u>494</u>	<u>728</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>65</u>	<u>65</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>65</u>	<u>65</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>65</u>	<u>65</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 65	
Adjustments to revenues			(65)	
Adjustments to expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 New Mexico School for the Arts
 Schedule of Budgetary Comparisons - Budgetary Basis
 Stipends Serving At-Risk 27122
 For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	5,000	5,000	-
Total Revenues	-	5,000	5,000	-
EXPENDITURES	-	-	-	-
Total Expenditures	-	-	-	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	5,000	5,000	-
Net Changes in Fund Balances	-	5,000	5,000	-
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	5,000	5,000	-
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 5,000	
Adjustments to revenues			(5,000)	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 New Mexico School for the Arts
 Schedule of Budgetary Comparisons - Budgetary Basis
 Incentive Pay 27188
 For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	63,031	-	(63,031)
Total Revenues	<u>-</u>	<u>63,031</u>	<u>-</u>	<u>(63,031)</u>
EXPENDITURES				
Current:				
Instruction	-	63,031	61,506	1,525
Total Expenditures	<u>-</u>	<u>63,031</u>	<u>61,506</u>	<u>1,525</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(61,506)</u>	<u>(61,506)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(61,506)</u>	<u>(61,506)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(61,506)</u>	<u>(61,506)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (61,506)	
Adjustments to Revenues			61,506	
Adjustments to Expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico School for the Arts
Schedule of Budgetary Comparisons - Budgetary Basis
Incentive Pay 27190
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	27,192	-	(27,192)
Total Revenues	<u>-</u>	<u>27,192</u>	<u>-</u>	<u>(27,192)</u>
EXPENDITURES				
Current:				
Instruction	-	16,592	6,549	10,043
Support Services:				
Instruction	-	10,600	3,010	7,590
Total Expenditures	<u>-</u>	<u>27,192</u>	<u>9,559</u>	<u>17,633</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(9,559)</u>	<u>(9,559)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(9,559)</u>	<u>(9,559)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(9,559)</u>	<u>(9,559)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (9,559)	
Adjustments to Revenues			9,559	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico School for the Arts
Schedule of Budgetary Comparisons - Budgetary Basis
Private Dir Grants 29102
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Local & County Grant	\$ -	24,852	99,903	75,051
Total Revenues	<u>-</u>	<u>24,852</u>	<u>99,903</u>	<u>75,051</u>
EXPENDITURES				
Current:				
Instruction	1,977	29,705	30,501	(796)
Support Services:				
Instruction	74,999	68,293	59,633	8,660
School Administration	1,743	1,743	51	1,692
Total Expenditures	<u>78,719</u>	<u>99,741</u>	<u>90,185</u>	<u>9,556</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(78,719)</u>	<u>(74,889)</u>	<u>9,718</u>	<u>84,607</u>
Other financing sources (uses):				
Designated Cash	78,719	74,889	-	(74,889)
Total other financing sources (uses):	<u>78,719</u>	<u>74,889</u>	<u>-</u>	<u>(74,889)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>9,718</u>	<u>9,718</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>74,889</u>	<u>74,889</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>84,607</u>	<u>84,607</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 9,718	
Adjustments to Revenues			-	
Adjustments to Expenditures			(6,164)	
NET CHANGE IN FUND BALANCE			<u>\$ 3,554</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 New Mexico School for the Arts
 Schedule of Budgetary Comparisons - Budgetary Basis
 Public School Capital Outlay 31200
 For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	148,730	145,955	(2,775)
Total Revenues	<u>-</u>	<u>148,730</u>	<u>145,955</u>	<u>(2,775)</u>
EXPENDITURES				
Capital Outlay	-	148,730	148,730	-
Total Expenditures	<u>-</u>	<u>148,730</u>	<u>148,730</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(2,775)	(2,775)
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(2,775)</u>	<u>(2,775)</u>
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(2,775)</u>	<u>(2,775)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (2,775)	
Adjustments to Revenues			2,775	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico School for the Arts
Schedule of Budgetary Comparisons - Budgetary Basis
SB-9 Capital Improvements 31700
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Property Taxes	\$ 167,326	171,858	158,529	(13,329)
Total Revenues	<u>167,326</u>	<u>171,858</u>	<u>158,529</u>	<u>(13,329)</u>
EXPENDITURES				
Current:				
Support Services:				
General Administration	3,500	3,500	1,585	1,915
Capital Outlay	263,708	330,453	72,454	257,999
Total Expenditures	<u>267,208</u>	<u>333,953</u>	<u>74,039</u>	<u>259,914</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(99,882)</u>	<u>(162,095)</u>	<u>84,490</u>	<u>246,585</u>
Other Financing Sources (Uses):				
Designated Cash	99,882	162,095	-	(162,095)
Total Other Financing Sources (Uses):	<u>99,882</u>	<u>162,095</u>	<u>-</u>	<u>(162,095)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>84,490</u>	<u>84,490</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>162,095</u>	<u>162,095</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>246,585</u>	<u>246,585</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 84,490	
Adjustments to Revenues			196	
Adjustments to Expenditures			(22)	
NET CHANGE IN FUND BALANCE			<u>\$ 84,664</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico School for the Arts
Schedule of Budgetary Comparisons - Budgetary Basis
Educational Technology Equipment 31900
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Local & County Grant	\$ -	29,581	29,581	-
Total Revenues	-	29,581	29,581	-
EXPENDITURES				
Capital Outlay	-	29,581	1,272	28,309
Total Expenditures	-	29,581	1,272	28,309
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	28,309	28,309
Net Changes in Fund Balances	-	-	28,309	28,309
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	28,309	28,309
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 28,309	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 28,309	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico School for the Arts
Schedule of Collateral Pledged by Depository for Public Funds
June 30, 2015

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2015</u>
Wells Fargo	FN A08040	3138LY5A1	7/1/2042	\$ 130,071
Wells Fargo	FN AT6892	3138WUUSO	9/1/2043	86,567
Wells Fargo	FN AR9199	3138W7GH1	3/1/2043	34,401
Wells Fargo	FN AS0025	3138W9A34	7/1/2043	14,952
Wells Fargo	FN MA1029	31418AEBO	3/1/2032	3,367
				<u>\$ 269,358</u>
Total Cash per Schedule of Cash Accounts:				\$ 620,425
Less: FDIC coverage:				<u>(250,000)</u>
Uninsured Public Funds:				370,425
Collateral Requirement:				185,213
Pledged Collateral Held by Pledging Financial Institution:				<u>269,358</u>
Balance Over Collateralized:				<u>\$ 84,145</u>
Balance Uninsured and Uncollateralized at June 30, 2015:				<u>\$ 101,067</u>

The accompanying notes are an integral part of these financial statements

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STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 New Mexico School for the Arts
 Schedule of Cash Accounts
 June 30, 2015

<u>Bank Account Type</u>	<u>Wells Fargo</u>
Checking - Operational Account	\$ 620,425
<i>Total on Deposit</i>	620,425
Reconciling Items	<u>(55,674)</u>
Reconciled Balance June 30, 2015	<u>564,751</u>
Less Agency Funds	<u>(7,790)</u>
<i>Total Cash</i>	<u><u>\$ 556,961</u></u>

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
New Mexico School for the Arts
Cash Reconciliation
June 30, 2015

	Operational <u>11000</u>	Instructional Materials <u>14000</u>	Food Services <u>21000</u>	Federal Projects Account <u>24000</u>
Cash, June 30, 2014	\$ 351,664	251	100	-
Add:				
2014-15 revenues	<u>1,920,360</u>	<u>15,635</u>	<u>29,941</u>	<u>82,024</u>
Total Cash Available	2,272,024	15,886	30,041	82,024
Less:				
2014-15 expenditures	(2,047,014)	(15,501)	(26,628)	(72,022)
Receivables/Payables	30,177	-	-	(3,245)
Outstanding Loans	<u>(57,178)</u>	<u>-</u>	<u>(2,044)</u>	<u>(6,757)</u>
Cash June 30, 2015	<u>198,009</u>	<u>385</u>	<u>1,369</u>	<u>-</u>
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	-	-	-	-
Cash Per Books	<u>198,009</u>	<u>385</u>	<u>1,369</u>	<u>-</u>
Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	<u>3,530</u>	<u>-</u>	<u>1,447</u>	<u>-</u>
Fund Balance, Modified Accrual Basis	<u>\$ 201,539</u>	<u>385</u>	<u>2,816</u>	<u>-</u>

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

State Account 27000	Local and State 29000	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Educational Technology Equipment 31900	Total
-	81,663	-	159,996	-	593,674
5,559	99,903	145,955	158,529	29,581	2,487,487
5,559	181,566	145,955	318,525	29,581	3,081,161
(71,559)	(90,185)	(148,730)	(74,039)	(1,272)	(2,546,950)
2,796	(6,978)	-	-	-	22,750
63,204	-	2,775	-	-	-
-	84,403	-	244,486	28,309	556,961
-	-	-	-	-	-
-	84,403	-	244,486	28,309	556,961
-	(5,960)	-	2,273	-	1,290
-	78,443	-	246,759	28,309	558,251
Balance Sheets - Governmental Funds:					<u>\$ 558,251</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 North Valley Academy
 Statement of Net Position
 June 30, 2015

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 773,444
Receivables	
Due from Other Governments	334,445
Total Current Assets	<u>1,107,889</u>

Noncurrent Assets:

Capital Assets	
Building and Improvements	91,474
Furniture, Fixtures, and Equipment	9,911
Less: Accumulated Depreciation	<u>(96,288)</u>
Total Noncurrent Assets	<u>5,097</u>

Total Assets 1,112,986

Deferred Outflows - Pension Related 248,562

LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accounts Payable	5,767
Accrued Liabilities	<u>384,644</u>
Total Current Liabilities	<u>390,411</u>

Noncurrent Liabilities:

Net Pension Liability	<u>3,333,850</u>
Total Noncurrent Liabilities	<u>3,333,850</u>

Total Liabilities 3,724,261

Deferred Inflows - Pension Related 510,663

NET POSITION

Investment in Capital Assets	5,097
Restricted	110,360
Unrestricted (Deficit)	<u>(2,988,833)</u>
Total Net Position	<u>\$ (2,873,376)</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
North Valley Academy
Statement of Activities
For The Year Ended June 30, 2015

Functions/Programs	Program Revenues				Net (Expenses) Revenues and Changes in Net Position
	Expenses	Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 2,150,207	249	538,666	-	(1,611,292)
Support Services:					
Students	220,906	-	-	-	(220,906)
Instruction	19,294	-	-	-	(19,294)
General Administration	28,730	-	-	-	(28,730)
School Administration	198,825	-	-	-	(198,825)
Central Services	236,681	-	-	-	(236,681)
Operation & Maintenance of Plant	364,636	-	-	-	(364,636)
Food Services	194,538	39,624	135,884	-	(19,030)
Facilities Materials, Supplies & Other Services	362,235	-	-	362,235	-
Total Governmental Activities	\$ 3,776,052	39,873	674,550	362,235	(2,699,394)
General Revenues:					
Property Taxes					\$ 2,793,828
Total General Revenues					<u>2,793,828</u>
Change in Net Position					94,434
Net Position, Beginning of Year					700,751
Restatement					(3,668,561)
Net Position, as Restated					<u>(2,967,810)</u>
Net Position, Ending					<u>\$ (2,873,376)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
North Valley Academy
Balance Sheets - Governmental Funds
June 30, 2015

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101
ASSETS				
Cash and Cash Equivalents	\$ 679,623	30,485	62,732	-
Accounts Receivable				
Due from Government	-	-	-	59,723
Due from Other Funds	258,314	-	-	-
Total Assets	\$ 937,937	30,485	62,732	59,723
LIABILITIES AND FUND BALANCES				
<i>Liabilities:</i>				
Accounts Payable	\$ 5,110	-	657	-
Accrued Expenditures	325,709	-	-	21,130
Due to Other Funds	-	-	-	38,593
Total Liabilities	330,819	-	657	59,723
<i>Fund Balances</i>				
Fund Balance:				
Restricted for:				
Instruction	-	30,485	-	-
Food Service Operations	-	-	62,075	-
Unassigned	607,118	-	-	-
Total Fund Balance	607,118	30,485	62,075	-
Total Liabilities and Fund Balances	\$ 937,937	30,485	62,732	59,723

IDEA-B Entitlement 24106	IDEA-B Risk Pool 24120	Teacher Principal Training 24154	2012 SB-66 Student Library 27107	New Mexico Reads 27114	Incentives for School Improvements 27138
-	-	-	-	-	-
16,770	92	11,332	3,596	29,745	-
-	-	-	-	-	-
<u>16,770</u>	<u>92</u>	<u>11,332</u>	<u>3,596</u>	<u>29,745</u>	<u>-</u>
-	-	-	-	-	-
-	-	3,977	-	8,349	-
16,770	92	7,355	3,596	4,200	-
<u>16,770</u>	<u>92</u>	<u>11,332</u>	<u>3,596</u>	<u>12,549</u>	<u>-</u>
-	-	-	-	17,196	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	17,196	-
<u>16,770</u>	<u>92</u>	<u>11,332</u>	<u>3,596</u>	<u>29,745</u>	<u>-</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
North Valley Academy
Balance Sheets - Governmental Funds (Continued)
June 30, 2015

	Pre-K Initiative 27149	Kindergarten Three Plus 27166	New Mexico Grown FVV 27183	Teacher and School Leader Incentive Pay 27188
ASSETS				
Cash and Cash Equivalents	\$ -	-	-	-
Accounts Receivable				
Due from Government	30,662	1,897	-	88,938
Due from Other Funds	-	-	-	-
Total Assets	\$ 30,662	1,897	-	88,938
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ -	-	-	-
Accrued Expenditures	19,807	1,897	-	3,775
Due to Other Funds	10,855	-	-	85,163
Total Liabilities	30,662	1,897	-	88,938
Fund Balances				
Fund Balance:				
Restricted for:				
Instruction	-	-	-	-
Food Service Operations	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balance	-	-	-	-
Total Liabilities and Fund Balances	\$ 30,662	1,897	-	88,938

Private Dir Grants (Categorical) 29102	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Total
604	-	-	773,444
-	90,181	1,509	334,445
-	-	-	258,314
604	90,181	1,509	1,366,203
-	-	-	5,767
-	-	-	384,644
-	90,181	1,509	258,314
-	90,181	1,509	648,725
604	-	-	48,285
-	-	-	62,075
-	-	-	607,118
604	-	-	717,478
604	90,181	1,509	1,366,203

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STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 North Valley Academy
 Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
 June 30, 2015

Fund Balance - Total Governmental Funds **\$ 717,478**

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

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

Capital Assets	101,385	
Accumulated Depreciation	<u>(96,288)</u>	5,097

Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds.

248,562

Long-term liabilities are not due in the current period and, therefore, are not reported in the funds.

Net Pension Liability		(3,333,850)
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Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds.

(510,663)

Net Position-Total Governmental Activities **\$ (2,873,376)**

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
North Valley Academy
Statement of Revenues, Expenditures, and Changes In Fund Balances
Governmental Funds
For The Year Ended June 30, 2015

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101
REVENUES				
Local & County Grant	\$ 994	-	-	-
State Grant	2,793,828	34,292	-	-
Federal Grant	-	-	135,884	128,501
Charges for Services	249	-	39,624	-
Total Revenues	<u>2,795,071</u>	<u>34,292</u>	<u>175,508</u>	<u>128,501</u>
EXPENDITURES				
Current:				
Instruction	1,780,207	47,154	-	114,812
Support Services:				
Students	127,477	-	-	13,689
Instruction	15,698	-	-	-
General Administration	31,517	-	-	-
School Administration	187,822	-	-	-
Central Services	241,763	-	-	-
Operation & Maintenance of Plant	363,720	-	-	-
Food Services Operations	-	-	193,947	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>2,748,204</u>	<u>47,154</u>	<u>193,947</u>	<u>128,501</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>46,867</u>	<u>(12,862)</u>	<u>(18,439)</u>	<u>-</u>
Net Changes in Fund Balances	<u>46,867</u>	<u>(12,862)</u>	<u>(18,439)</u>	<u>-</u>
Fund Balances - Beginning of Year	<u>560,251</u>	<u>43,347</u>	<u>80,514</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ 607,118</u>	<u>30,485</u>	<u>62,075</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements

IDEA-B Entitlement 24106	IDEA-B Risk Pool 24120	Teacher Principal Training 24154	2012 SB-66 Student Library 27107	New Mexico Reads 27114	Incentives for School Improvements 27138
-	-	-	-	-	-
-	-	-	3,596	67,195	-
76,475	92	19,738	-	-	-
-	-	-	-	-	-
<u>76,475</u>	<u>92</u>	<u>19,738</u>	<u>3,596</u>	<u>67,195</u>	<u>-</u>
-	-	18,080	-	49,999	10,199
76,475	92	-	-	-	-
-	-	-	3,596	-	-
-	-	-	-	-	-
-	-	1,658	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>76,475</u>	<u>92</u>	<u>19,738</u>	<u>3,596</u>	<u>49,999</u>	<u>10,199</u>
-	-	-	-	17,196	(10,199)
-	-	-	-	17,196	(10,199)
-	-	-	-	-	10,199
-	-	-	-	17,196	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
North Valley Academy
Statement of Revenues, Expenditures, and Changes In Fund Balances - Continued
Governmental Funds
For The Year Ended June 30, 2015

	Pre-K Initiative 27149	Kindergarten Three Plus 27166	New Mexico Grown FVV 27183	Teacher and School Leader Incentive Pay 27188
REVENUES				
Local & County Grant	\$ -	-	-	-
State Grant	116,357	1,897	591	88,938
Federal Grant	-	-	-	-
Charges for Services	-	-	-	-
Total Revenues	<u>116,357</u>	<u>1,897</u>	<u>591</u>	<u>88,938</u>
EXPENDITURES				
Current:				
Instruction	109,497	1,897	-	76,020
Support Services:				
Students	5,351	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	1,509	-	-	12,918
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Food Services Operations	-	-	591	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>116,357</u>	<u>1,897</u>	<u>591</u>	<u>88,938</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>

Private Dir Grants (Categorical) 29102	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Total
-	-	-	994
-	360,726	1,509	3,468,929
-	-	-	360,690
-	-	-	39,873
<u>-</u>	<u>360,726</u>	<u>1,509</u>	<u>3,870,486</u>
1,156	-	-	2,209,021
-	-	-	223,084
-	-	-	19,294
-	-	-	31,517
-	-	-	203,907
-	-	-	241,763
-	-	-	363,720
-	-	-	194,538
-	360,726	1,509	362,235
<u>1,156</u>	<u>360,726</u>	<u>1,509</u>	<u>3,849,079</u>
<u>(1,156)</u>	<u>-</u>	<u>-</u>	<u>21,407</u>
<u>(1,156)</u>	<u>-</u>	<u>-</u>	<u>21,407</u>
<u>1,760</u>	<u>-</u>	<u>-</u>	<u>696,071</u>
<u>604</u>	<u>-</u>	<u>-</u>	<u>717,478</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
North Valley Academy
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2015

Net Change in Fund Balances-Total Governmental Funds **\$ 21,407**

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

Change in Compensated Absences 2,787

Capital outlays to purchase or build capital assets are reported in
 governmental funds as expenditures. However, for governmental activities
 those costs are shown in the Statement of Net Position and allocated over
 their estimated useful lives as annual depreciation expenses in the
 Statement of Activities. This is the amount by which capital outlay exceeds
 depreciation for the period

Depreciation Expense (2,370)

The issuance of long-term debt (e.g., bonds, notes, leases) provide current
 financial resources to governmental funds, while the repayment of the
 principal of long-term debt consumes the current financial resources of
 governmental funds. Neither transaction, however, has any effect on net
 position.

Change in Net Pension Liability 72,610

Change in Net Position-Total Governmental Activities **\$ 94,434**

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 North Valley Academy
 Statement of Fiduciary Assets and Liabilities- Agency Funds
 June 30, 2015

	<u>Agency</u>
ASSETS	
Cash in Bank	\$ 26,826
Total Assets	<u>\$ 26,826</u>
LIABILITIES	
Deposits Held for Others	\$ 26,826
Total Liabilities	<u>\$ 26,826</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 North Valley Academy
 Schedule of Changes in Assets and Liabilities - Agency Funds
 For The Year Ended June 30, 2015

	<u>Balance</u> <u>July 1, 2014</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2015</u>
ASSETS				
Cash in Bank	\$ 23,171	32,731	29,076	26,826
Total Assets	<u>\$ 23,171</u>	<u>32,731</u>	<u>29,076</u>	<u>26,826</u>
LIABILITIES				
Deposits Held for Others	\$ 23,171	32,731	29,076	26,826
Total Liabilities	<u>\$ 23,171</u>	<u>32,731</u>	<u>29,076</u>	<u>26,826</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
North Valley Academy
Notes to the Financial Statements
June 30, 2015

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Capital Assets. Capital assets purchased or acquired are 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 North Valley Academy's capitalization policy (i.e., the dollar value above which the asset acquisitions are added to the capital accounts) is \$5,000. The North Valley Academy does not capitalize any interest with regard to its capital assets.

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

Furniture, Fixtures and Equipment	5 years
Buildings and Improvements	40 years

Capital assets for the North Valley Academy are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB's Fiduciary Net Position have been determined on the economic resources measurement focus and accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
North Valley Academy
Notes to the Financial Statements
June 30, 2015

NOTE 2. CAPITAL ASSETS

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

	<u>Balance</u> <u>June 30, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2015</u>
<i>Capital Assets being Depreciated:</i>				
Furniture, Fixtures and Equipment	\$ 9,911	-	-	9,911
Building and Improvements	91,474	-	-	91,474
<i>Total</i>	<u>101,385</u>	<u>-</u>	<u>-</u>	<u>101,385</u>
<i>Less: Accumulated Depreciation</i>				
Furniture, fixtures and equipment	(5,310)	(954)	-	(6,264)
Building and improvements	(88,608)	(1,416)	-	(90,024)
<i>Total</i>	<u>(93,918)</u>	<u>(2,370)</u>	<u>-</u>	<u>(96,288)</u>
Capital Assets, Net	<u>\$ 7,467</u>	<u>(2,370)</u>	<u>-</u>	<u>5,097</u>

Depreciation expensed for the year ended June 30, 2015 was expensed to the following functions:

Operation and Maintenance of Plant	\$ 2,370
Total	<u>\$ 2,370</u>

NOTE 3. COMMITMENTS AND LIABILITIES

The North Valley Academy leased equipment and facilities under long-term cancelable operating leases. Rental expense for the year ended June 30, 2015 was \$546,520. The North Valley Academy's minimum future payments on this lease are as follows:

Year Ending June 30:	
2016	\$ 543,818
2017	538,008
2018	538,008
2019	538,008
2020	538,008
2021	538,008
Total	<u>\$ 3,233,858</u>

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
North Valley Academy
Notes to the Financial Statements
June 30, 2015**

NOTE 3. COMMITMENTS AND LIABILITIES (CONTINUED)

The North Valley Academy had a compensated absences balance of \$2,787 at the beginning of the fiscal year. Decreases to the balance were \$2,787 which resulted in an ending balance of \$0. Effective July 1, 2015 the North Valley Academy amended their policy to disallow leave payout carryover.

NOTE 4. RELATED PARTY TRANSACTIONS

North Valley Academy's Business Manager is a .8 full time employee of the school. The Business Manager also works part-time at Horizon Academy West Charter School as an employee of Aptability. Aptability provides professional services to charter schools throughout New Mexico.

NOTE 5. SUBSEQUENT EVENTS

The former Head Administrator filed a lawsuit against the school for various claims. The litigation is ongoing.

NOTE 6. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to the North Valley Academy and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions. The contribution requirements of defined benefit plan members and North Valley Academy are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year ended June 30, 2014 employers contributed 13.15% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.10% of their gross annual salary. For fiscal year ended June 30, 2015 employers contributed 13.90%, and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 contributed an increased amount of 10.70% of their

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
North Valley Academy
Notes to the Financial Statements
June 30, 2015

NOTE 6. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

gross annual salary. Contributions to the pension plan from North Valley Academy were \$248,562 for the year ended June 30, 2015.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2013. The total ERB pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2014, using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date June 30, 2014. At June 30, 2015, North Valley Academy reported a liability of \$3,333,850 for its proportionate share of the net pension liability. North Valley Academy's proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2014. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2014, North Valley Academy's proportion was 0.05843% percent, which was a decrease of 0.00339% from its proportion measured as of June 30, 2013.

For the year ended June 30, 2015, North Valley Academy recognized pension expense of \$175,952. At the June 30, 2015, North Valley Academy reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	49,661
Changes in assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	303,050
Changes in proportion and differences between North Valley Academy contributions and proportionate share of contributions	-	157,952
North Valley Academy contributions subsequent to the measurement date	<u>248,562</u>	<u>-</u>
Total	<u>\$ 248,562</u>	<u>510,663</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
North Valley Academy
Notes to the Financial Statements
June 30, 2015

NOTE 6. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

\$248,562 reported as deferred outflows of resources related to pensions resulting from North Valley Academy contributions subsequent to the measurement date June 30, 2014 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2016	\$ 147,854
2017	147,854
2018	139,204
2019	<u>75,751</u>
Total	<u>\$ 510,663</u>

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

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
North Valley Academy's proportionate share of the net pension liability	<u>\$ 4,536,089</u>	<u>3,333,850</u>	<u>2,329,557</u>

Payables to the pension plan. For the year ending June 30, 2015, North Valley Academy's accrued liability due to ERB was \$ 93,000 for payroll paid in July 2015.

NOTE 7. RESTATEMENT

As a result of implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, net position as June 30, 2014 was restated in the amount of \$(3,668,561).

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
North Valley Academy
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2015

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.06%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 3,334	-	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 1,610	-	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	207.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30, 2014

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
North Valley Academy
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2015

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 212	-	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	212	-	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ -	-	-	-	-	-	-	-	-	-

Year	Total Amount Deferred	Amortization Years	Increase (Decrease) in Pension Expense over Recognition Periods											
			2015	2016	2017	2018	2019	2020	2021	2022	2023	2024		
2014	\$ 511	5	\$ 148	148	148	139	76	-	-	-	-	-	-	-
2015	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2016	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2017	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2018	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2019	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2020	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2021	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2022	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2023	-	5	-	-	-	-	-	-	-	-	-	-	-	-
	\$ 511		\$ 148	148	148	139	76	-	-	-	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
North Valley Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Local & County Grant	\$ -	-	994	994
State Grant	2,744,266	2,793,827	2,793,828	1
Charges for Services	-	-	249	249
Total Revenues	<u>2,744,266</u>	<u>2,793,827</u>	<u>2,795,071</u>	<u>1,244</u>
EXPENDITURES				
Current:				
Instruction	2,043,624	2,098,624	1,784,006	314,618
Support Services:				
Students	126,912	135,385	127,477	7,908
Instruction	17,664	24,909	15,698	9,211
General Administration	84,100	88,190	32,157	56,033
School Administration	365,955	366,250	187,681	178,569
Central Services	134,552	244,221	242,022	2,199
Operation & Maintenance of Plant	401,122	405,640	363,194	42,446
Total Expenditures	<u>3,173,929</u>	<u>3,363,219</u>	<u>2,752,235</u>	<u>610,984</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	<u>(429,663)</u>	<u>(569,392)</u>	<u>42,836</u>	<u>612,228</u>
Net Changes in Fund Balances	<u>(429,663)</u>	<u>(569,392)</u>	<u>42,836</u>	<u>612,228</u>
Cash or Fund Balances - Beginning of Year	<u>569,392</u>	<u>569,392</u>	<u>569,392</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ 139,729</u>	<u>-</u>	<u>612,228</u>	<u>612,228</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ 42,836	
Adjustments to Expenditures			<u>4,031</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 46,867</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
North Valley Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 24,174	34,291	34,292	1
Total Revenues	<u>24,174</u>	<u>34,291</u>	<u>34,292</u>	<u>1</u>
EXPENDITURES				
Current:				
Instruction	68,975	78,523	48,039	30,484
Total Expenditures	<u>68,975</u>	<u>78,523</u>	<u>48,039</u>	<u>30,484</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(44,801)</u>	<u>(44,232)</u>	<u>(13,747)</u>	<u>30,485</u>
Net Changes in Fund Balances	<u>(44,801)</u>	<u>(44,232)</u>	<u>(13,747)</u>	<u>30,485</u>
Cash or Fund Balances - Beginning of Year	<u>44,232</u>	<u>44,232</u>	<u>44,232</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ (569)</u>	<u>-</u>	<u>30,485</u>	<u>30,485</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (13,747)	
Adjustments to Expenditures			<u>885</u>	
NET CHANGE IN FUND BALANCE			<u>\$ (12,862)</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
North Valley Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Food Services 21000
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 150,000	141,000	135,884	(5,116)
Charges for Services	40,000	38,000	39,624	1,624
Total Revenues	<u>190,000</u>	<u>179,000</u>	<u>175,508</u>	<u>(3,492)</u>
EXPENDITURES				
Current:				
Food Services Operations	261,104	259,514	193,290	66,224
Total Expenditures	<u>261,104</u>	<u>259,514</u>	<u>193,290</u>	<u>66,224</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(71,104)</u>	<u>(80,514)</u>	<u>(17,782)</u>	<u>62,732</u>
Net Changes in Fund Balances	<u>(71,104)</u>	<u>(80,514)</u>	<u>(17,782)</u>	<u>62,732</u>
Cash or Fund Balances - Beginning of Year	<u>80,514</u>	<u>80,514</u>	<u>80,514</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ 9,410</u>	<u>-</u>	<u>62,732</u>	<u>62,732</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (17,782)	
Adjustments to Expenditures			<u>(657)</u>	
NET CHANGE IN FUND BALANCE			<u>\$ (18,439)</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
North Valley Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Title I IASA 24101
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 122,590	141,160	106,976	(34,184)
Total Revenues	<u>122,590</u>	<u>141,160</u>	<u>106,976</u>	<u>(34,184)</u>
EXPENDITURES				
Current:				
Instruction	108,678	127,248	114,812	12,436
Support Services:				
Students	13,912	13,912	13,689	223
Total Expenditures	<u>122,590</u>	<u>141,160</u>	<u>128,501</u>	<u>12,659</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(21,525)</u>	<u>(21,525)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(21,525)</u>	<u>(21,525)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(21,525)</u>	<u>(21,525)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (21,525)	
Adjustments to Revenues			<u>21,525</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
North Valley Academy
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Entitlement 24106
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 68,761	76,475	139,951	63,476
Total Revenues	<u>68,761</u>	<u>76,475</u>	<u>139,951</u>	<u>63,476</u>
EXPENDITURES				
Current:				
Support Services:				
Students	68,761	76,475	76,475	-
Total Expenditures	<u>68,761</u>	<u>76,475</u>	<u>76,475</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>63,476</u>	<u>63,476</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>63,476</u>	<u>63,476</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>63,476</u>	<u>63,476</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 63,476	
Adjustments to Revenues			<u>(63,476)</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 North Valley Academy
 Schedule of Budgetary Comparisons - Budgetary Basis
 IDEA-B Risk Pool 24120
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ -	92	-	(92)
Total Revenues	<u>-</u>	<u>92</u>	<u>-</u>	<u>(92)</u>
EXPENDITURES				
Current:				
Support Services:				
Students	-	92	92	-
Total Expenditures	<u>-</u>	<u>92</u>	<u>92</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(92)</u>	<u>(92)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(92)</u>	<u>(92)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(92)</u>	<u>(92)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (92)	
Adjustments to Revenues			<u>92</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 North Valley Academy
 Schedule of Budgetary Comparisons - Budgetary Basis
 Teacher Principal Training 24154
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 17,838	31,108	14,372	(16,736)
Total Revenues	<u>17,838</u>	<u>31,108</u>	<u>14,372</u>	<u>(16,736)</u>
EXPENDITURES				
Current:				
Instruction	8,970	24,240	18,080	6,160
Support Services:				
Instruction	7,368	2,368	-	2,368
School Administration	1,500	4,500	1,658	2,842
Total expenditures	<u>17,838</u>	<u>31,108</u>	<u>19,738</u>	<u>11,370</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(5,366)	(5,366)
Net changes in Fund Balances	-	-	(5,366)	(5,366)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(5,366)</u>	<u>(5,366)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (5,366)	
Adjustments to Revenues			<u>5,366</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 North Valley Academy
 Schedule of Budgetary Comparisons - Budgetary Basis
 2012 SB-66 Student Library 27107
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 3,468	3,596	-	(3,596)
Total Revenues	<u>3,468</u>	<u>3,596</u>	<u>-</u>	<u>(3,596)</u>
EXPENDITURES				
Current:				
Support Services:				
Instruction	3,468	3,596	3,596	-
Total Expenditures	<u>3,468</u>	<u>3,596</u>	<u>3,596</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(3,596)	(3,596)
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(3,596)</u>	<u>(3,596)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(3,596)</u>	<u>(3,596)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (3,596)	
Adjustments to Revenues			<u>3,596</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
North Valley Academy
Schedule of Budgetary Comparisons - Budgetary Basis
New Mexico Reads 27114
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 50,000	50,000	67,934	17,934
Total Revenues	<u>50,000</u>	<u>50,000</u>	<u>67,934</u>	<u>17,934</u>
EXPENDITURES				
Current:				
Instruction	50,000	50,000	49,999	1
Total Expenditures	<u>50,000</u>	<u>50,000</u>	<u>49,999</u>	<u>1</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	17,935	17,935
Net Changes in Fund Balances	-	-	17,935	17,935
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>17,935</u>	<u>17,935</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 17,935	
Adjustments to Revenues			(739)	
NET CHANGE IN FUND BALANCE			<u>\$ 17,196</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 North Valley Academy
 Schedule of Budgetary Comparisons - Budgetary Basis
 Incentives for School Improvements 27138
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
<i>Total Revenues</i>	\$ -	-	-	-
EXPENDITURES				
Current:				
Instruction	-	10,199	10,199	-
<i>Total Expenditures</i>	-	10,199	10,199	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	(10,199)	(10,199)	-
Net Changes in Fund Balances	-	(10,199)	(10,199)	-
Cash or Fund Balances - Beginning of Year	10,199	10,199	10,199	-
Cash or Fund Balances - End of Year	\$ 10,199	-	-	-
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (10,199)	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ (10,199)	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 North Valley Academy
 Schedule of Budgetary Comparisons - Budgetary Basis
 Pre-K Initiative 27149
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 120,000	120,000	121,817	1,817
Total Revenues	<u>120,000</u>	<u>120,000</u>	<u>121,817</u>	<u>1,817</u>
EXPENDITURES				
Current:				
Instruction	110,338	113,141	109,498	3,643
Support Services:				
Students	3,998	3,998	5,351	(1,353)
School Administration	4,914	2,861	1,508	1,353
Operation & Maintenance of Plant	750	-	-	-
Total Expenditures	<u>120,000</u>	<u>120,000</u>	<u>116,357</u>	<u>3,643</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	5,460	5,460
Net Changes in Fund Balances	-	-	5,460	5,460
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>5,460</u>	<u>5,460</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 5,460	
Adjustments to Revenues			(5,460)	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 North Valley Academy
 Schedule of Budgetary Comparisons - Budgetary Basis
 Kindergarten-Three Plus 27166
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	1,897	-	(1,897)
Total Revenues	<u>-</u>	<u>1,897</u>	<u>-</u>	<u>(1,897)</u>
EXPENDITURES				
Current:				
Instruction	-	1,897	1,897	-
Total Expenditures	<u>-</u>	<u>1,897</u>	<u>1,897</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(1,897)</u>	<u>(1,897)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(1,897)</u>	<u>(1,897)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(1,897)</u>	<u>(1,897)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (1,897)	
Adjustments to Revenues			<u>1,897</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 North Valley Academy
 Schedule of Budgetary Comparisons - Budgetary Basis
 New Mexico Grown FVV 27183
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	-	591	591
Total Revenues	<u>-</u>	<u>-</u>	<u>591</u>	<u>591</u>
EXPENDITURES				
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	591	591
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>591</u>	<u>591</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>591</u>	<u>591</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 591	
Adjustments to Expenditures			<u>(591)</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
North Valley Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Teacher and School Leader Incentive Pay 27188
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	256,960	-	(256,960)
Total Revenues	<u>-</u>	<u>256,960</u>	<u>-</u>	<u>(256,960)</u>
EXPENDITURES				
Current:				
Instruction	-	238,650	76,020	162,630
Support Services:				
School Administration	-	18,310	12,918	5,392
Total Expenditures	<u>-</u>	<u>256,960</u>	<u>88,938</u>	<u>168,022</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(88,938)</u>	<u>(88,938)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(88,938)</u>	<u>(88,938)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(88,938)</u>	<u>(88,938)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (88,938)	
Adjustments to Revenues			<u>88,938</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 North Valley Academy
 Schedule of Budgetary Comparisons - Budgetary Basis
 Private Dir Grants (Categorical) 29102
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
<i>Total Revenues</i>	\$ -	-	-	-
EXPENDITURES				
Current:				
Instruction	-	2,000	2,000	-
Support Services:				
Students	604	604	-	604
<i>Total Expenditures</i>	604	2,604	2,000	604
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	(604)	(2,604)	(2,000)	604
Net Changes in Fund Balances	(604)	(2,604)	(2,000)	604
Cash or Fund Balances - Beginning of Year	2,604	2,604	2,604	-
Cash or Fund Balances - End of Year	\$ 2,000	-	604	604
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (2,000)	
Adjustments to Expenditures			844	
NET CHANGE IN FUND BALANCE			\$ (1,156)	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
North Valley Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Public School Capital Outlay 31200
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	360,726	358,044	(2,682)
Total Revenues	<u>-</u>	<u>360,726</u>	<u>358,044</u>	<u>(2,682)</u>
EXPENDITURES				
Current:				
Capital Outlay	-	360,726	360,726	-
Total Expenditures	<u>-</u>	<u>360,726</u>	<u>360,726</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(2,682)</u>	<u>(2,682)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(2,682)</u>	<u>(2,682)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(2,682)</u>	<u>(2,682)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (2,682)	
Adjustments to Revenues			<u>2,682</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 North Valley Academy
 Schedule of Budgetary Comparisons - Budgetary Basis
 SB-9 Capital Improvements 31700
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 814	12,012	27,429	15,417
Total Revenues	<u>814</u>	<u>12,012</u>	<u>27,429</u>	<u>15,417</u>
EXPENDITURES				
Current:				
Capital Outlay	814	12,012	1,509	10,503
Total Expenditures	<u>814</u>	<u>12,012</u>	<u>1,509</u>	<u>10,503</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>25,920</u>	<u>25,920</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>25,920</u>	<u>25,920</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>25,920</u>	<u>25,920</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 25,920	
Adjustments to Revenues			<u>(25,920)</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
North Valley Academy
Schedule of Collateral Pledged by Depository for Public Funds
June 30, 2015

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value/Par June 30, 2015</u>
New Mexico Bank & Trust	Watertown Wis GO Ref Bond	942214PJ0	6/1/2023	\$ 250,000
New Mexico Bank & Trust	Watertown Wis GO Unltd Tax	942214PL5	6/1/2025	335,000
				<u>\$ 585,000</u>

Total Cash per Schedule of Cash Accounts: \$ 835,665
Less: FDIC coverage: (250,000)
Uninsured Public Funds: 585,665

Collateral Requirement: 292,833
Pledged Collateral Held by Pledging Financial Institution: 585,000
Balance Over Collateralized: \$ 292,167

Balance Uninsured and Uncollateralized at June 30, 2015: \$ 665

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STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 North Valley Academy
 Schedule of Cash Accounts
 June 30, 2015

Bank Account Type	New Mexico Bank and Trust
Checking - Operational Account	\$ 835,665
Total on Deposit	835,665
Reconciling Items	(35,395)
Reconciled Balance June 30, 2015	800,270
Less Agency Funds	(26,826)
Total Cash	\$ 773,444

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
North Valley Academy
Cash Reconciliation
June 30, 2015

	Operational 11000	Instructional Materials 14000	Food Services 21000	Non-Instruct. Fund 23000
Cash, June 30, 2014	\$ 569,392	44,232	80,514	23,171
Add:				
2014-15 revenues	<u>2,795,071</u>	<u>34,293</u>	<u>175,508</u>	<u>32,731</u>
Total Cash Available	3,364,463	78,525	256,022	55,902
Less:				
2014-15 expenditures	(2,752,236)	(48,040)	(193,290)	(29,076)
Receivables/Payables	325,710	-	-	-
Outstanding Loans	<u>(258,314)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash June 30, 2015	<u>679,623</u>	<u>30,485</u>	<u>62,732</u>	<u>26,826</u>
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	-	-	-	-
Cash Per Books	<u>679,623</u>	<u>30,485</u>	<u>62,732</u>	<u>26,826</u>
Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	<u>(72,505)</u>	<u>-</u>	<u>(657)</u>	<u>(26,826)</u>
Fund Balance (Deficit), Modified Accrual Basis	<u>\$ 607,118</u>	<u>30,485</u>	<u>62,075</u>	<u>-</u>

Federal Projects Account 24000	State Account 27000	Local or State 29000	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Total
(124,411)	(99,956)	2,604	(87,499)	(27,429)	380,618
<u>261,298</u>	<u>233,299</u>	<u>-</u>	<u>358,045</u>	<u>27,429</u>	<u>3,917,674</u>
136,887	133,343	2,604	270,546	-	4,298,292
(224,804)	(270,987)	(2,000)	(360,726)	(1,509)	(3,882,668)
25,107	33,829	-	-	-	384,646
<u>62,810</u>	<u>103,815</u>	<u>-</u>	<u>90,180</u>	<u>1,509</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>604</u>	<u>-</u>	<u>-</u>	<u>800,270</u>
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>604</u>	<u>-</u>	<u>-</u>	<u>800,270</u>
Less: Activity Funds Per Schedule of Changes in Assets and Liabilities- Agency Fund:					<u>(26,826)</u>
					<u>\$ 773,444</u>
-	17,196	-	-	-	(82,792)
<u>-</u>	<u>17,196</u>	<u>604</u>	<u>-</u>	<u>-</u>	<u>717,478</u>
Balance Sheets - Governmental Funds:					<u>\$ 717,478</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

PUBLIC EDUCATION DEPARTMENT

Financial Statements
June 30, 2015

VOLUME IX



AXIOM

*Certified Public Accountants
and Business Advisors LLC*

**STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
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STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Ralph J. Bunche Academy
 Statement of Net Position
 June 30, 2015

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 136,538
Other	6,595
Total Current Assets	<u>143,133</u>

Noncurrent Assets:

Capital Assets	
Building and Improvements	88,405
Less: Accumulated Depreciation	<u>(33,439)</u>
Total Noncurrent Assets	<u>54,966</u>
Total Assets	<u>198,099</u>

LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accounts Payable	432
Accrued Liabilities	<u>468</u>
Total Current Liabilities	<u>900</u>

Noncurrent Liabilities:

Net Pension Liability	<u>813,629</u>
Total Noncurrent Liabilities	<u>813,629</u>
Total Liabilities	<u>814,529</u>

Deferred Inflows - Pension Related

115,003

NET POSITION

Investment in Capital Assets	54,966
Restricted	34,624
Unrestricted (Deficit)	<u>(821,023)</u>
Total Net Position	<u>\$ (731,433)</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Ralph J. Bunche Academy
Statement of Activities
For The Year Ended June 30, 2015

Functions/Programs	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
	Expenses	Charges for Service	Operating Grants and Contributions	
Governmental activities:				
Instruction	\$ 6,742	-	-	(6,742)
Support Services:				
Students	2,835	-	-	(2,835)
General Administration	280	-	-	(280)
School Administration	53,235	-	-	(53,235)
Central Services	19,523	-	-	(19,523)
Operation & Maintenance of Plant	552	-	-	(552)
Total Governmental Activities	\$ 83,167	-	-	(83,167)
General Revenues:				
Property Taxes				\$ 781
Miscellaneous				171,509
Total General Revenues				172,290
Change in Net Position				89,123
Net Position- Beginning of Year				61,738
Restatement				(882,294)
Net Position, as Restated				(820,556)
Net position, Ending				\$ (731,433)

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Ralph J. Bunche Academy
Balance Sheets - Governmental Funds
June 30, 2015

	Operational 11000	Instructional Materials 14000	Food Services 21000	New Mexico Reads 27114
ASSETS				
Cash and Cash Equivalents	\$ 101,446	6,164	-	468
Accounts Receivable				
Due from Other Funds	12,934	-	-	-
Other	6,595	-	-	-
Total Assets	\$ 120,975	6,164	-	468
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 432	-	-	-
Accrued Expenditures	-	-	-	468
Due to Other Funds	-	-	12,934	-
Total Liabilities	432	-	12,934	468
Fund Balances (Deficit)				
Fund Balance:				
Restricted for:				
Instruction	-	6,164	-	-
Capital Improvements	-	-	-	-
Unassigned (Deficit)	120,543	-	(12,934)	-
Total Fund Balance (Deficit)	120,543	6,164	(12,934)	-
Total Liabilities and Fund Balances (Deficit)	\$ 120,975	6,164	-	468

**SB-9 Capital
Improvements
31700**

Total

28,460	136,538
-	12,934
-	6,595
<u>28,460</u>	<u>156,067</u>
-	432
-	468
-	12,934
<u>-</u>	<u>13,834</u>
-	6,164
28,460	28,460
-	107,609
<u>28,460</u>	<u>142,233</u>
<u>28,460</u>	<u>156,067</u>

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STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Ralph J. Bunche Academy
Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
June 30, 2015

Fund Balances - Total Governmental Funds **\$ 142,233**

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

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

Capital Assets	88,405	
Accumulated Depreciation	(33,439)	
		54,966

Long-term liabilities are not due in the current period and,
 therefore, are not reported in the funds.

Net Pension Liability		(813,629)
-----------------------	--	-----------

Defined benefit pension plan deferred inflows are not
 due and payable in the current period and, therefore,
 are not reported in the funds.

		(115,003)
--	--	-----------

Net Position-Total Governmental Activities		\$ (731,433)
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STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Ralph J. Bunche Academy
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit)
Governmental Funds
For The Year Ended June 30, 2015

	Operational 11000	Instructional Materials 14000	Food Services 21000	New Mexico Reads 27114
REVENUES				
Property Taxes	\$ -	-	-	-
Miscellaneous Income	171,509	-	-	-
Total Revenues	<u>171,509</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	6,742	-	-	-
Support Services:				
Students	2,835	-	-	-
General Administration	8,400	-	-	-
School Administration	18,447	-	-	-
Central Services	19,523	-	-	-
Operation & Maintenance of Plant	552	-	-	-
Total Expenditures	<u>56,499</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>115,010</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>115,010</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances(Deficit) - Beginning of Year	<u>5,533</u>	<u>6,164</u>	<u>(12,934)</u>	<u>-</u>
Fund Balances (Deficit) - End of Year	<u>\$ 120,543</u>	<u>6,164</u>	<u>(12,934)</u>	<u>-</u>

SB-9 Capital Improvements 31700	Total
781	781
-	171,509
<u>781</u>	<u>172,290</u>
-	6,742
-	2,835
-	8,400
-	18,447
-	19,523
-	552
<u>-</u>	<u>56,499</u>
<u>781</u>	<u>115,791</u>
<u>781</u>	<u>115,791</u>
<u>27,679</u>	<u>26,442</u>
<u>28,460</u>	<u>142,233</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Ralph J. Bunche Academy
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances (Deficit) of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2015

Net Change in Fund Balances-Total Governmental Funds **\$ 115,791**

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

Change in Compensated Absences 19,670

The issuance of long-term debt (e.g., bonds, notes, leases) provide current
 financial resources to governmental funds, while the repayment of the
 principal of long-term debt consumes the current financial resources of
 governmental funds. Neither transaction, however, has any effect on net
 position.

Changes in Net Pension Liability (46,338)

Change in Net Position-Total Governmental Activities **\$ 89,123**

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Ralph J. Bunche Academy
Notes to the Financial Statements
June 30, 2015

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Capital Assets. Capital assets purchased or acquired are 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 Ralph J. Bunche Academy’s capitalization policy (i.e., the dollar value above which the asset acquisitions are added to the capital accounts) is \$5,000. The Ralph J. Bunche Academy does not capitalize any interest with regard to its capital assets.

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

Furniture, Fixtures and Equipment	5 years
Buildings and Improvements	40 years

Capital assets for the Ralph J. Bunche Academy are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB’s Fiduciary Net Position have been determined on the economic resources measurement focus and accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 2. CAPITAL ASSETS

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

	<u>Balance</u> <u>June 30, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2015</u>
<i>Capital Assets being Depreciated:</i>				
Building and Improvements	\$ 88,405	-	-	88,405
<i>Total</i>	88,405	-	-	88,405
<i>Less: Accumulated Depreciation</i>				
Building and improvements	(33,439)	-	-	(33,439)
<i>Total</i>	(33,439)	-	-	(33,439)
Capital Assets, Net	\$ 54,966	-	-	54,966

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Ralph J. Bunche Academy
Notes to the Financial Statements
June 30, 2015**

NOTE 2. CAPITAL ASSETS (CONTINUED)

No depreciation was expensed for the year ended June 30, 2015 as the school closed in the prior year.

NOTE 3. COMMITMENTS AND LIABILITIES

The Ralph J. Bunche Academy had a compensated absences balance of \$19,670 at the beginning of the fiscal year. Decreases to the balance were \$19,670 which resulted in an ending balance of \$0.

NOTE 4. DEFICIT FUND BALANCE

The following fund had a deficit fund balance at June 30, 2015:

Food Services – Fund 21000	\$12,934
----------------------------	----------

NOTE 5. BUDGET OVERAGE

As stated in Finding 2015-001, Ralph J. Bunche Academy expended in excess of the budget in the following fund and function:

Operational – Support Services	\$42,487
--------------------------------	----------

NOTE 6. RELATED PARTY TRANSACTIONS

The business manager services are performed by the Vigil Group LLC, which performed services for multiple state charter schools.

NOTE 7. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to the Ralph J. Bunche Academy and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

NOTE 7. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Contributions. The contribution requirements of defined benefit plan members and Ralph J. Bunche Academy are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year ended June 30, 2014 employers contributed 13.15% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.10% of their gross annual salary. For fiscal year ended June 30, 2015 employers contributed 13.90%, and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 contributed an increased amount of 10.70% of their gross annual salary. Contributions to the pension plan from Ralph J. Bunche Academy were \$0 for the year ended June 30, 2015.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2013. The total ERB pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2014, using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date June 30, 2014. At June 30, 2015, Ralph J. Bunche Academy reported a liability of \$813,629 for its proportionate share of the net pension liability. Ralph J. Bunche Academy's proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2014. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2014, Ralph J. Bunche Academy's proportion was 0.01426% percent, which was an increase of 0.0006% from its proportion measured as of June 30, 2013.

For the year ended June 30, 2015, Ralph J. Bunche Academy recognized pension expense of \$46,338. At the June 30, 2015, Ralph J. Bunche Academy reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Ralph J. Bunche Academy
Notes to the Financial Statements
June 30, 2015

NOTE 7. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$	12,124
Changes in assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	73,986
Changes in proportion and differences between Ralph J. Bunche Academy contributions and proportionate share of contributions	-	28,893
Ralph J. Bunche Academy contributions subsequent to the measurement date	-	-
Total	<u>\$ -</u>	<u>115,003</u>

\$0 was reported as deferred outflows of resources related to pensions resulting from Ralph J. Bunche Academy contributions subsequent to the measurement date June 30, 2014 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2016	\$ 32,731
2017	32,731
2018	31,022
2019	<u>18,519</u>
Total	<u>\$ 115,003</u>

NOTE 7. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

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

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
Ralph J. Bunche Academy's proportionate share of the net pension liability	<u>\$ 1,107,038</u>	<u>813,629</u>	<u>568,741</u>

NOTE 8. RESTATEMENT

As a result of implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, net position at June 30, 2014 was restated in the amount of \$(882,294).

NOTE 9. SCHOOL CLOSURE

The New Mexico Public Education Department did not renew the Ralph J. Bunche Academy charter for fiscal year 2015. The financial activity that took place during the year ended June 30, 2015 was solely to pay out liabilities incurred at the time of the school's closure.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Ralph J. Bunche Academy
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2015

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 814	-	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 393	-	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	206.93%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30, 2014

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Ralph J. Bunche Academy
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2015

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 52	-	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	52	-	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ -	-	-	-	-	-	-	-	-	-

Year	Total Amount Deferred	Amortization Years	Increase (Decrease) in Pension Expense over Recognition Periods											
			2015	2016	2017	2018	2019	2020	2021	2022	2023	2024		
2014	\$ 115	5	\$ 33	33	33	31	18	-	-	-	-	-	-	-
2015	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2016	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2017	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2018	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2019	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2020	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2021	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2022	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2023	-	5	-	-	-	-	-	-	-	-	-	-	-	-
	\$ 115		\$ 33	33	33	31	18	-	-	-	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Ralph J. Bunche Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
<i>Total Revenues</i>	\$ -	-	-	-
EXPENDITURES				
Current:				
Instruction	-	76,211	8,557	67,654
Support Services:				
Students	-	3,254	3,252	2
General Administration	-	8,790	35,405	(26,615)
School Administration	-	21,943	18,740	3,203
Central Services	-	522	19,612	(19,090)
Operation & Maintenance of Plant	-	6,133	6,120	13
Food Services Operations	-	4,930	4,930	-
<i>Total Expenditures</i>	-	121,783	96,616	25,167
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	(121,783)	(96,616)	25,167
Net Changes in Fund Balances	-	(121,783)	(96,616)	25,167
Cash or Fund Balances - Beginning of Year	5,533	5,533	5,533	-
Cash or Fund Balances - End of Year	\$ 5,533	(116,250)	(91,083)	25,167
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (96,616)	
Adjustments to Revenues			171,509	
Adjustments to Expenditures			40,117	
NET CHANGE IN FUND BALANCE			\$ 115,010	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Ralph J. Bunche Academy
Schedule of Budgetary Comparisons - Budgetary Basis
SB-9 Capital Improvements 31700
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Property Taxes	\$ -	-	781	781
Total Revenues	<u>-</u>	<u>-</u>	<u>781</u>	<u>781</u>
EXPENDITURES				
Current:				
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>781</u>	<u>781</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>781</u>	<u>781</u>
Cash or Fund Balances - Beginning of Year	<u>24,770</u>	<u>24,770</u>	<u>24,770</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ 24,770</u>	<u>24,770</u>	<u>25,551</u>	<u>781</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 781	
Adjustments to Revenues			-	
Adjustments to Expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 781</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Ralph J. Bunche Academy
 Schedule of Collateral Pledged by Depository for Public Funds
 June 30, 2015

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2015</u>
N/A	N/A	N/A	N/A	N/A
Total Cash per Schedule of Cash Accounts:				\$ 141,040
Less: FDIC coverage:				<u>(141,040)</u>
Uninsured Public Funds:				-
Collateral Requirement:				-
Pledged Collateral Held by Pledging Financial Institution:				<u>-</u>
Balance Over Collateralized:				<u>\$ -</u>
Balance Uninsured and Uncollateralized at June 30, 2015:				<u>\$ -</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Ralph J. Bunche Academy
 Schedule of Cash Accounts
 June 30, 2015

<u>Bank Account Type</u>	<u>Wells Fargo</u>
Checking - Operational Account	<u>\$ 141,040</u>
<i>Total on Deposit</i>	141,040
Reconciling Items	<u>(4,502)</u>
Reconciled Balance June 30, 2015	<u>136,538</u>
<i>Total Cash</i>	<u><u>\$ 136,538</u></u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Red River Valley Charter School
 Statement of Net Position
 June 30, 2015

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 19,500
Receivables	
Due from Other Governments	117,885
Total Current Assets	<u>137,385</u>

Noncurrent Assets:

Capital Assets	
Leasehold improvements	189,948
Furniture, Fixtures, and Equipment	206,215
Less: Accumulated Depreciation	<u>(258,262)</u>
Total Noncurrent Assets	<u>137,901</u>

Total Assets	<u>275,286</u>
---------------------	----------------

Deferred Outflows - Pension Related	<u>64,533</u>
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LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accounts Payable	1,091
Accrued Liabilities	8,599
Due to Government	<u>9,756</u>
Total Current Liabilities	<u>19,446</u>

Noncurrent Liabilities:

Net Pension Liability	<u>737,743</u>
Total Noncurrent Liabilities	<u>737,743</u>

Total Liabilities	<u>757,189</u>
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Deferred Inflows - Pension Related	<u>81,862</u>
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NET POSITION

Investment in Capital Assets	137,901
Restricted	38,313
Unrestricted (Deficit)	<u>(675,446)</u>
Total Net Position	<u>\$ (499,232)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Red River Valley Charter School
Statement of Activities
For The Year Ended June 30, 2015

Functions/Programs	Program Revenues				Net (Expenses) Revenues and Changes in Net Position
	Expenses	Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 545,104	2,798	142,062	-	(400,244)
Support Services:					
Students	79,661	-	-	-	(79,661)
General Administration	73,700	-	-	-	(73,700)
School Administration	59,984	-	-	-	(59,984)
Central Services	27,703	-	-	-	(27,703)
Operation & Maintenance of Plant	33,344	-	-	-	(33,344)
Student Transportation	69,300	-	29,046	-	(40,254)
Food Services	37,269	9,744	18,878	-	(8,647)
Facilities Materials, Supplies & Other Services	70,087	-	-	180,983	110,896
Total Governmental Activities	\$ 996,152	12,542	189,986	180,983	(612,641)
General Revenues:					
State Equalization Guarantee					\$ 719,679
Total General Revenues					<u>719,679</u>
Change in Net Position					<u>107,038</u>
Net Position, Beginning					163,621
Restatement Recognized by GASB 68					<u>(769,891)</u>
Net Position, as Restated					<u>(606,270)</u>
Net Position, Ending					<u>\$ (499,232)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Red River Valley Charter School
Balance Sheets - Governmental Funds
June 30, 2015

	Operational 11000	Pupil Transportation 13000	Instructional Materials 14000	Food Services 21000
ASSETS				
Cash and Cash Equivalents	\$ -	11,698	7,802	-
Accounts Receivable				
Due from Government	-	-	-	-
Due from Other Funds	89,316	7,814	-	20,755
Total Assets	\$ 89,316	19,512	7,802	20,755
LIABILITIES AND FUND BALANCES				
<i>Liabilities:</i>				
Accounts Payable	\$ 1,091	-	-	-
Accrued Expenditures	8,599	-	-	-
Due to Government	-	9,756	-	-
Due to Other Funds	-	-	-	-
Total Liabilities	9,690	9,756	-	-
<i>Fund Balances</i>				
Fund Balance:				
Restricted for:				
Instruction	-	-	7,802	-
Food Service Operations	-	-	-	20,755
Student Transportation	-	9,756	-	-
Assigned to:				
Subsequent Years Expenditures and Other Programs	79,626	-	-	-
Total Fund Balance	79,626	9,756	7,802	20,755
Total Liabilities and Fund Balances	\$ 89,316	19,512	7,802	20,755

The accompanying notes are an integral part of these financial statements

Title I IASA 24101	IDEA-B Entitlement 24106	IDEA-B Risk Pool 24120	Teacher Principal Training 24154	Rural Education Achievement 25233	2012 GOB Student Library 27107
-	-	-	-	-	-
12,457	-	26,332	5,003	2,550	-
-	-	-	-	-	-
<u>12,457</u>	<u>-</u>	<u>26,332</u>	<u>5,003</u>	<u>2,550</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
12,457	-	26,332	5,003	2,550	-
<u>12,457</u>	<u>-</u>	<u>26,332</u>	<u>5,003</u>	<u>2,550</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
12,457	-	26,332	5,003	2,550	-
<u>12,457</u>	<u>-</u>	<u>26,332</u>	<u>5,003</u>	<u>2,550</u>	<u>-</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Red River Valley Charter School
Balance Sheets - Governmental Funds (Continued)
June 30, 2015

	Reads to Leads 27114	Pre-K Initiative 27149	Taos County EGRT Bond 31100	Public School Capital Outlay 31200
ASSETS				
Cash and Cash Equivalents	\$ -	-	-	-
Accounts Receivable				
Due from Government	-	35,000	18,182	14,429
Due from Other Funds	-	-	-	-
Total Assets	\$ -	35,000	18,182	14,429
LIABILITIES AND FUND BALANCES				
<i>Liabilities:</i>				
Accounts Payable	\$ -	-	-	-
Accrued Expenditures	-	-	-	-
Due to Government	-	-	-	-
Due to Other Funds	-	35,000	18,182	14,429
Total Liabilities	-	35,000	18,182	14,429
<i>Fund Balances</i>				
Fund Balance:				
Restricted for:				
Instruction	-	-	-	-
Food Service Operations	-	-	-	-
Student Transportation	-	-	-	-
Assigned to:				
Subsequent Years Expenditures and Other Programs	-	-	-	-
Total Fund Balance	-	-	-	-
Total Liabilities and Fund Balances	\$ -	35,000	18,182	14,429

The accompanying notes are an integral part of these financial statements

**SB-9 Capital
Improvements**

31700	Total
-	19,500
3,932	117,885
-	117,885
<u>3,932</u>	<u>255,270</u>

-	1,091
-	8,599
-	9,756
<u>3,932</u>	<u>117,885</u>
<u>3,932</u>	<u>137,331</u>

-	7,802
-	20,755
-	9,756
-	79,626
-	117,939
<u>3,932</u>	<u>255,270</u>

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STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Red River Valley Charter School
Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
June 30, 2015

Fund Balances - Total Governmental Funds **\$ 117,939**

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

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

Capital Assets	396,163	
Accumulated Depreciation	<u>(258,262)</u>	
		137,901

Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds.		64,533
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Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds.		(81,862)
--	--	----------

The net pension liability is not due and payable in the current period and, therefore, is not reported in the funds.		<u>(737,743)</u>
--	--	------------------

Net Position - Total Governmental Activities **\$ (499,232)**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Red River Valley Charter School
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit)
Governmental Funds
For The Year Ended June 30, 2015

	Operational 11000	Pupil Transportation 13000	Instructional Materials 14000	Food Services 21000
REVENUES				
Local & County Grant	\$ -	-	-	-
State Grant	719,679	29,046	6,047	-
Federal Grant	-	-	-	18,878
Charges for Services	2,798	-	-	9,744
Total Revenues	<u>722,477</u>	<u>29,046</u>	<u>6,047</u>	<u>28,622</u>
EXPENDITURES				
Current:				
Instruction	474,202	-	2,411	-
Support Services:				
Students	34,523	-	-	-
General Administration	74,989	-	-	-
School Administration	61,229	-	-	-
Central Services	27,703	-	-	-
Operation & Maintenance of Plant	33,344	-	-	-
Student Transportation	-	64,300	-	-
Food Services Operations	29,402	-	-	7,867
Capital Outlay	-	-	-	-
Total Expenditures	<u>735,392</u>	<u>64,300</u>	<u>2,411</u>	<u>7,867</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(12,915)</u>	<u>(35,254)</u>	<u>3,636</u>	<u>20,755</u>
Other financing sources (uses):				
Transfers in (out)	(970)	-	-	-
Total other financing sources (uses):	<u>(970)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>(13,885)</u>	<u>(35,254)</u>	<u>3,636</u>	<u>20,755</u>
Fund Balances (Deficit) - Beginning of Year	<u>93,511</u>	<u>45,010</u>	<u>4,166</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ 79,626</u>	<u>9,756</u>	<u>7,802</u>	<u>20,755</u>

The accompanying notes are an integral part of these financial statements

Title I IASA 24101	IDEA-B Entitlement 24106	IDEA-B Risk Pool 24120	Teacher Principal Training 24154	Rural Education Achievement 25233	2012 GOB Student Library 27107
-	-	-	-	-	-
-	-	-	-	-	-
12,457	19,636	26,332	5,003	15,587	-
-	-	-	-	-	-
<u>12,457</u>	<u>19,636</u>	<u>26,332</u>	<u>5,003</u>	<u>15,587</u>	<u>-</u>
12,457	-	-	5,003	2,550	-
-	19,636	26,332	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>12,457</u>	<u>19,636</u>	<u>26,332</u>	<u>5,003</u>	<u>2,550</u>	<u>-</u>
-	-	-	-	13,037	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	13,037	-
-	-	-	-	(13,037)	-
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Red River Valley Charter School
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit) - Continued
Governmental Funds
For The Year Ended June 30, 2015

	Reads to Leads 27114	Pre-K Initiative 27149	Taos County EGRT Bond 31100	Public School Capital Outlay 31200
REVENUES				
Local & County Grant	\$ -	-	119,335	-
State Grant	22,000	35,000	-	57,716
Federal Grant	-	-	-	-
Charges for Services	-	-	-	-
Total Revenues	<u>22,000</u>	<u>35,000</u>	<u>119,335</u>	<u>57,716</u>
EXPENDITURES				
Current:				
Instruction	22,000	30,000	-	-
Support Services:				
Students	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	5,000	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	119,335	57,716
Total Expenditures	<u>22,000</u>	<u>35,000</u>	<u>119,335</u>	<u>57,716</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other financing sources (uses):				
Transfers in (out)	-	-	-	-
Total other financing sources (uses):	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances (Deficit) - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements

SB-9 Capital Improvements 31700	Total
-	119,335
3,932	873,420
-	97,893
-	12,542
<u>3,932</u>	<u>1,103,190</u>
-	548,623
-	80,491
-	74,989
-	61,229
-	27,703
-	33,344
-	69,300
-	37,269
<u>3,932</u>	<u>180,983</u>
<u>3,932</u>	<u>1,113,931</u>
<u>-</u>	<u>(10,741)</u>
<u>970</u>	<u>-</u>
<u>970</u>	<u>-</u>
<u>970</u>	<u>(10,741)</u>
<u>(970)</u>	<u>128,680</u>
<u>-</u>	<u>117,939</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Red River Valley Charter School
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances (Deficit) of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2015

Net Change in Fund Balance-Total Governmental Funds **\$ (10,741)**

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

Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the Statement of Net Position and allocated over their estimated useful lives as annual depreciation expenses in the Statement of Activities. This is the amount by which capital outlay exceeds depreciation for the period

Capital Outlays	110,896	
Depreciation Expense	(7,936)	
	102,960	102,960

Changes in long-term liabilities

Change in Net Pension Liability		14,819
		14,819

Change in Net Position-Total Governmental Activities **\$ 107,038**

The accompanying notes are an integral part of these financial statements

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Capital Assets. Capital assets purchased or acquired are 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. Red River Valley Charter School's capitalization policy (i.e., the dollar value above which the asset acquisitions are added to the capital accounts) is \$5,000. Red River Valley Charter School does not capitalize any interest with regard to its capital assets.

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

Furniture, Fixtures and Equipment	3-20 years
Leasehold Improvements	5-25 years

Capital assets for Red River Valley Charter School are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB's Fiduciary Net Position have been determined on the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Red River Valley Charter School
Notes to the Financial Statements
June 30, 2015

NOTE 2. CAPITAL ASSETS

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

	<u>Balance</u> <u>June 30, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2015</u>
<i>Capital Assets being Depreciated:</i>				
Leasehold improvements	\$ 79,052	110,896	-	189,948
Furniture, Fixtures and Equipment	206,215	-	-	206,215
<i>Total</i>	<u>285,267</u>	<u>110,896</u>	<u>-</u>	<u>396,163</u>
<i>Less: Accumulated Depreciation</i>				
Leasehold improvements	(54,171)	(6,794)	-	(60,965)
Furniture, Fixtures and Equipment	(196,155)	(1,142)	-	(197,297)
<i>Total</i>	<u>(250,326)</u>	<u>(7,936)</u>	<u>-</u>	<u>(258,262)</u>
Capital Assets, Net	<u>\$ 34,941</u>	<u>102,960</u>	<u>-</u>	<u>137,901</u>

Depreciation expense for the year ended June 30, 2015 was expensed to the following function:

Instruction	\$ 7,936
Total	<u>\$ 7,936</u>

NOTE 3. COMMITMENTS AND LIABILITIES

The school leased facilities under a short-term cancelable operating lease. Rental expense for the year was \$57,716. The school's minimum future payments are based on the total allocation from the Public School Capital Outlay Funds.

NOTE 4. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to Red River Valley Charter School and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions. The contribution requirements of defined benefit plan members and Red River Valley Charter School are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year ended June 30, 2014, employers contributed 13.15% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.10% of their gross annual salary. For fiscal year ended June 30, 2015 employers contributed 13.90% and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 contributed an increased amount of 10.70% of their gross annual salary. Contributions to the pension plan from Red River Valley Charter School were \$64,533 for the year ended June 30, 2015.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2013. The total ERB pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2014, using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date of June 30, 2014. At June 30, 2015, Red River Valley Charter School reported a liability of \$737,743 for its proportionate share of the net pension liability. Red River Valley Charter School's proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2014. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2014, Red River Valley Charter School's proportion was 0.01293%, which was a decrease of 0.00008% from its proportion measured as of June 30, 2013.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Red River Valley Charter School
Notes to the Financial Statements
June 30, 2015

NOTE 4. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

For the year ended June 30, 2015, Red River Valley Charter School recognized pension expense of \$49,714. At June 30, 2015, Red River Valley Charter School reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	10,987
Net difference between projected and actual earnings on pension plan investments	-	67,048
Changes in proportion and differences between Red River Valley Charter School contributions and proportionate share of contributions	-	3,827
Red River Valley Charter School contributions subsequent to the measurement date	<u>64,533</u>	<u>-</u>
Total	<u>\$ 64,533</u>	<u>81,862</u>

The amount of \$64,533 reported as deferred outflows of resources related to pensions resulting from Red River Valley Charter School’s contributions subsequent to the measurement date of June 30, 2014 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2016	\$	21,909
2017		21,909
2018		21,292
2019		<u>16,752</u>
Total	\$	<u>81,862</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Red River Valley Charter School
Notes to the Financial Statements
June 30, 2015

NOTE 4. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Sensitivity of Red River Valley Charter School’s proportionate share of the net pension liability to changes in the discount rate. The following table shows the sensitivity of the net pension liability to changes in the discount rate as of June 30, 2014. In particular, the table presents the (employer’s) net pension liability under the current single rate assumption, as if it were calculated using a discount rate one percentage point lower (6.75%) or one percentage point higher (8.75%) than the single discount rate.

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
The School’s proportionate share of the net pension liability	<u>\$ 1,003,786</u>	<u>737,743</u>	<u>515,409</u>

Payables to the pension plan. At June 30, 2015, Red River Valley Charter School owed \$354 to ERB for fiscal year 2015 contributions.

NOTE 5. RESTATEMENT

As a result of implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, net position at June 30, 2014 was restated in the amount of \$(769,891).

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
RED RIVER VALLEY CHARTER SCHOOL
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2015

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 738	-	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 356	-	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	207.05%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30, 2014

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
RED RIVER VALLEY CHARTER SCHOOL
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2015

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 47	-	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	47	-	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ -	-	-	-	-	-	-	-	-	-

Year	Total Amount Deferred	Amortization Years	Increase (Decrease) in Pension Expense over Recognition Periods											
			2015	2016	2017	2018	2019	2020	2021	2022	2023	2024		
2014	\$ 82	5	\$ 22	22	22	21	17	-	-	-	-	-	-	-
2015	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2016	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2017	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2018	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2019	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2020	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2021	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2022	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2023	-	5	-	-	-	-	-	-	-	-	-	-	-	-
	\$ 82		\$ 22	22	22	21	17	-	-	-	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Red River Valley Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 669,246	719,558	719,679	121
Charges for Services	4,166	4,166	2,798	(1,368)
Total Revenues	<u>673,412</u>	<u>723,724</u>	<u>722,477</u>	<u>(1,247)</u>
EXPENDITURES				
Current:				
Instruction	470,287	483,892	474,202	9,690
Support Services:				
Students	62,915	65,422	34,523	30,899
General Administration	71,470	78,852	74,989	3,863
School Administration	62,334	64,826	61,229	3,597
Central Services	27,461	30,826	27,703	3,123
Operation & Maintenance of Plant	35,312	36,504	33,344	3,160
Food Services Operations	15,200	34,969	29,402	5,567
Total Expenditures	<u>744,979</u>	<u>795,291</u>	<u>735,392</u>	<u>59,899</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(71,567)</u>	<u>(71,567)</u>	<u>(12,915)</u>	<u>58,652</u>
Other Financing Sources (Uses):				
Transfers	-	-	(970)	(970)
Designated Cash	71,567	71,567	-	(71,567)
Total Other Financing Sources (Uses):	<u>71,567</u>	<u>71,567</u>	<u>(970)</u>	<u>(72,537)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(13,885)</u>	<u>(13,885)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>93,511</u>	<u>93,511</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>79,626</u>	<u>79,626</u>
Reconciliation to GAAP Basis:				
<i>Net change in fund balance</i>			\$ (13,885)	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (13,885)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Red River Valley Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Pupil Transportation 13000
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 31,399	31,399	29,046	(2,353)
Total Revenues	<u>31,399</u>	<u>31,399</u>	<u>29,046</u>	<u>(2,353)</u>
EXPENDITURES				
Current:				
Student Transportation	31,399	56,873	54,363	2,510
Total Expenditures	<u>31,399</u>	<u>56,873</u>	<u>54,363</u>	<u>2,510</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>(25,474)</u>	<u>(25,317)</u>	<u>157</u>
Other financing sources (uses):				
Designated Cash	-	25,474	-	(25,474)
Total other financing sources (uses):	<u>-</u>	<u>25,474</u>	<u>-</u>	<u>(25,474)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(25,317)</u>	<u>(25,317)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>45,010</u>	<u>45,010</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>19,693</u>	<u>19,693</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (25,317)	
Adjustments to revenues			-	
Adjustments to expenditures			<u>(9,937)</u>	
NET CHANGE IN FUND BALANCE			<u>\$ (35,254)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Red River Valley Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	6,047	6,047	-
Total Revenues	<u>-</u>	<u>6,047</u>	<u>6,047</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	-	6,047	2,411	3,636
Total Expenditures	<u>-</u>	<u>6,047</u>	<u>2,411</u>	<u>3,636</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>3,636</u>	<u>3,636</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>3,636</u>	<u>3,636</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>4,166</u>	<u>4,166</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>7,802</u>	<u>7,802</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 3,636	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 3,636</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Red River Valley Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Food Services 21000
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ -	19,166	18,878	(288)
Charges for Services	-	-	9,744	9,744
Total Revenues	<u>-</u>	<u>19,166</u>	<u>28,622</u>	<u>9,456</u>
EXPENDITURES				
Current:				
Food Services Operations	-	19,166	7,867	11,299
Total Expenditures	<u>-</u>	<u>19,166</u>	<u>7,867</u>	<u>11,299</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>20,755</u>	<u>20,755</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>20,755</u>	<u>20,755</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>20,755</u>	<u>20,755</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 20,755	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 20,755</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Red River Valley Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Title I IASA 24101
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 13,133	26,396	2,536	(23,860)
Total Revenues	<u>13,133</u>	<u>26,396</u>	<u>2,536</u>	<u>(23,860)</u>
EXPENDITURES				
Current:				
Instruction	13,133	26,396	12,457	13,939
Total Expenditures	<u>13,133</u>	<u>26,396</u>	<u>12,457</u>	<u>13,939</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(9,921)	(9,921)
Net Changes in Fund Balances	-	-	(9,921)	(9,921)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(9,921)</u>	<u>(9,921)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (9,921)	
Adjustments to Revenues			9,921	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Red River Valley Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Entitlement 24106
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ -	19,636	20,567	931
Total Revenues	<u>-</u>	<u>19,636</u>	<u>20,567</u>	<u>931</u>
EXPENDITURES				
Current:				
Support Services:				
Students	-	19,636	19,636	-
Total Expenditures	<u>-</u>	<u>19,636</u>	<u>19,636</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>931</u>	<u>931</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>931</u>	<u>931</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>931</u>	<u>931</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 931	
Adjustments to Revenues			(931)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Red River Valley Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 IDEA-B Risk Pool 24120
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ -	26,332	-	(26,332)
Total Revenues	<u>-</u>	<u>26,332</u>	<u>-</u>	<u>(26,332)</u>
EXPENDITURES				
Current:				
Support Services:				
Students	-	26,332	26,332	-
Total Expenditures	<u>-</u>	<u>26,332</u>	<u>26,332</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(26,332)</u>	<u>(26,332)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(26,332)</u>	<u>(26,332)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(26,332)</u>	<u>(26,332)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (26,332)	
Adjustments to Revenues			26,332	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Red River Valley Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Teacher Principal Training 24154
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 3,341	8,058	1,261	(6,797)
Total Revenues	<u>3,341</u>	<u>8,058</u>	<u>1,261</u>	<u>(6,797)</u>
EXPENDITURES				
Current:				
Instruction	3,341	8,058	5,003	3,055
Total expenditures	<u>3,341</u>	<u>8,058</u>	<u>5,003</u>	<u>3,055</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(3,742)	(3,742)
Net changes in Fund Balances	-	-	(3,742)	(3,742)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(3,742)</u>	<u>(3,742)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (3,742)	
Adjustments to Revenues			3,742	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Red River Valley Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Rural Education Achievement 25233
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ -	13,671	13,037	(634)
Total Revenues	<u>-</u>	<u>13,671</u>	<u>13,037</u>	<u>(634)</u>
EXPENDITURES				
Current:				
Instruction	-	13,671	2,550	11,121
Total Expenditures	<u>-</u>	<u>13,671</u>	<u>2,550</u>	<u>11,121</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>10,487</u>	<u>10,487</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>10,487</u>	<u>10,487</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>(13,037)</u>	<u>(13,037)</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(2,550)</u>	<u>(2,550)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 10,487	
Adjustments to Revenues			2,550	
Adjustments to Expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 13,037</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Red River Valley Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 2012 GOB Student Library 27107
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 2,077	2,077	1,100	(977)
Total Revenues	<u>2,077</u>	<u>2,077</u>	<u>1,100</u>	<u>(977)</u>
EXPENDITURES				
Current:				
Support Services:				
Instruction	2,077	2,077	-	2,077
Total Expenditures	<u>2,077</u>	<u>2,077</u>	<u>-</u>	<u>2,077</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>1,100</u>	<u>1,100</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>1,100</u>	<u>1,100</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>1,100</u>	<u>1,100</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 1,100	
Adjustments to Revenues			(1,100)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Red River Valley Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Reads to Leads 27114
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 22,000	22,000	29,707	7,707
Total Revenues	<u>22,000</u>	<u>22,000</u>	<u>29,707</u>	<u>7,707</u>
EXPENDITURES				
Current:				
Instruction	22,000	22,000	22,000	-
Total Expenditures	<u>22,000</u>	<u>22,000</u>	<u>22,000</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	-	-	7,707	7,707
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>7,707</u>	<u>7,707</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>7,707</u>	<u>7,707</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ 7,707	
Adjustments to Revenues			(7,707)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Red River Valley Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Pre-K Initiative 27149
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 35,000	35,000	10,941	(24,059)
Total Revenues	<u>35,000</u>	<u>35,000</u>	<u>10,941</u>	<u>(24,059)</u>
EXPENDITURES				
Current:				
Instruction	30,000	30,000	30,000	-
Student Transportation	5,000	5,000	5,000	-
Total Expenditures	<u>35,000</u>	<u>35,000</u>	<u>35,000</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(24,059)	(24,059)
Net Changes in Fund Balances	-	-	(24,059)	(24,059)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(24,059)</u>	<u>(24,059)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (24,059)	
Adjustments to Revenues			24,059	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Red River Valley Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Taos County EGRT Bond 31100
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Local & County Grant	\$ -	275,984	101,153	(174,831)
Total Revenues	<u>-</u>	<u>275,984</u>	<u>101,153</u>	<u>(174,831)</u>
EXPENDITURES				
Capital Outlay	-	275,984	119,335	156,649
Total Expenditures	<u>-</u>	<u>275,984</u>	<u>119,335</u>	<u>156,649</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(18,182)	(18,182)
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(18,182)</u>	<u>(18,182)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(18,182)</u>	<u>(18,182)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (18,182)	
Adjustments to Revenues			18,182	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Red River Valley Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Public School Capital Outlay 31200
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	57,716	55,754	(1,962)
Total Revenues	<u>-</u>	<u>57,716</u>	<u>55,754</u>	<u>(1,962)</u>
EXPENDITURES				
Capital Outlay	-	57,716	57,716	-
Total Expenditures	<u>-</u>	<u>57,716</u>	<u>57,716</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(1,962)	(1,962)
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(1,962)</u>	<u>(1,962)</u>
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(1,962)</u>	<u>(1,962)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (1,962)	
Adjustments to Revenues			1,962	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Red River Valley Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
SB-9 Capital Improvements 31700
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 5,320	8,113	4,446	(3,667)
Total Revenues	<u>5,320</u>	<u>8,113</u>	<u>4,446</u>	<u>(3,667)</u>
EXPENDITURES				
Capital Outlay	5,320	8,113	3,932	4,181
Total Expenditures	<u>5,320</u>	<u>8,113</u>	<u>3,932</u>	<u>4,181</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	514	514
Other Financing Sources (Uses):				
Transfers in	-	-	970	970
Total Other Financing Sources (Uses):	<u>-</u>	<u>-</u>	<u>970</u>	<u>970</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>1,484</u>	<u>1,484</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>1,484</u>	<u>1,484</u>
Reconciliation to GAAP Basis:				
<i>Net change in fund balance</i>			\$ 1,484	
Adjustments to Revenues			(514)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 970</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Red River Valley Charter School
 Schedule of Collateral Pledged by Depository for Public Funds
 June 30, 2015

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2015</u>
N/A	N/A	N/A	N/A	\$ -
				<u>\$ -</u>

Total Cash per Schedule of Cash Accounts:	\$	64,742
Less: FDIC coverage:		<u>(64,742)</u>
Uninsured Public Funds:		-
Collateral Requirement:		-
Pledged Collateral Held by Pledging Financial Institution:		<u>-</u>
Balance Over Collateralized:	\$	<u>-</u>
Balance Uninsured and Uncollateralized at June 30, 2015:	\$	<u>-</u>

The accompanying notes are an integral part of these financial statements

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STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Red River Valley Charter School
 Schedule of Cash Accounts
 June 30, 2015

<u>Bank Account Type</u>	<u>Peoples Bank</u>
Checking - Operational Account	\$ 64,742
<i>Total on Deposit</i>	64,742
Reconciling Items	<u>(45,242)</u>
Reconciled Balance June 30, 2015	<u>\$ 19,500</u>

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Red River Valley Charter School
Cash Reconciliation
June 30, 2015

	Operational 11000	Pupil Transportation 13000	Instructional Materials 14000	Food Services 21000
Cash, June 30, 2014	\$ 44,747	50,948	4,166	-
Add:				
2014-15 revenues	<u>722,477</u>	<u>29,046</u>	<u>6,047</u>	<u>28,622</u>
Total Cash Available	767,224	79,994	10,213	28,622
Less:				
2014-15 expenditures	(735,392)	(54,363)	(2,411)	(7,867)
Receivables/Payables	3,058	(6,119)	-	-
Outstanding Loans	<u>(33,920)</u>	<u>(7,814)</u>	<u>-</u>	<u>(20,755)</u>
Cash June 30, 2015	<u>970</u>	<u>11,698</u>	<u>7,802</u>	<u>-</u>
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	<u>(970)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash Per Books	<u>-</u>	<u>11,698</u>	<u>7,802</u>	<u>-</u>
Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	<u>79,626</u>	<u>(1,942)</u>	<u>-</u>	<u>20,755</u>
Fund Balance, Modified Accrual Basis	<u>\$ 79,626</u>	<u>9,756</u>	<u>7,802</u>	<u>20,755</u>

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

Federal Projects Account 24000	Federal Direct Account 25000	State Account 27000	Bond Building 31100	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Total
-	-	-	-	-	-	99,861
<u>24,364</u>	<u>13,037</u>	<u>41,748</u>	<u>101,153</u>	<u>55,754</u>	<u>4,446</u>	<u>1,026,694</u>
24,364	13,037	41,748	101,153	55,754	4,446	1,126,555
(63,428)	(2,550)	(57,000)	(119,335)	(57,716)	(3,932)	(1,103,994)
-	-	-	-	-	-	(3,061)
<u>39,064</u>	<u>(10,487)</u>	<u>15,252</u>	<u>18,182</u>	<u>1,962</u>	<u>(1,484)</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(970)</u>	<u>19,500</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>970</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>19,500</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>98,439</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>117,939</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Sage Montessori Charter School
Statement of Net Position
June 30, 2015

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 99,750
Receivables	
Due from Other Governments	65,350
Deposits	10,000
Total Current Assets	<u>175,100</u>

Noncurrent Assets:

Capital Assets	
Furniture, Fixtures, and Equipment	23,261
Less: Accumulated Depreciation	<u>(11,898)</u>
Total Noncurrent Assets	<u>11,363</u>
Total Assets	<u>186,463</u>

Deferred Outflows - Pension Related	<u>86,633</u>
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LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accounts Payable	58,107
Accrued Liabilities	83,668
Total Current Liabilities	<u>141,775</u>

Noncurrent Liabilities:

Net Pension Liability	<u>1,178,225</u>
Total Noncurrent Liabilities	<u>1,178,225</u>
Total Liabilities	<u>1,320,000</u>

Deferred Inflows - Pension Related	<u>129,349</u>
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NET POSITION

Investment in Capital Assets	11,363
Restricted	16,837
Unrestricted (Deficit)	<u>(1,204,453)</u>
Total Net Position	<u>\$ (1,176,253)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Sage Montessori Charter School
Statement of Activities
For The Year Ended June 30, 2015

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 996,745	-	115,486	-	(881,259)
Support Services:					
Students	61,496	-	-	-	(61,496)
Instruction	24,812	-	-	-	(24,812)
General Administration	61,458	-	-	-	(61,458)
School Administration	201,134	-	-	-	(201,134)
Central Services	104,180	-	-	-	(104,180)
Operation & Maintenance of Plant	356,661	-	-	-	(356,661)
Facilities Materials, Supplies & Other Services	138,001	-	-	138,001	-
Total Governmental Activities	\$ 1,944,487	-	115,486	138,001	(1,691,000)
General Revenues:					
State Equalization Guarantee					\$ 1,527,053
Total General Revenues					1,527,053
Change in Net Position					(163,947)
Net Position, Beginning					215,280
Restatement Recognized by GASB 68					(1,227,586)
Net Position, Beginning, as Restated					(1,012,306)
Net position, Ending					\$ (1,176,253)

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Sage Montessori Charter School
Balance Sheets - Governmental Funds
June 30, 2015

	Operational 11000	Instructional Materials 14000	Title I IASA 24101	IDEA-B Entitlement 24106
ASSETS				
Cash and Cash Equivalents	\$ 92,913	6,837	-	-
Accounts Receivable				
Due from Government	-	-	-	4,976
Due from Other Funds	42,400	-	-	-
Deposits	10,000	-	-	-
Total Assets	<u>\$ 145,313</u>	<u>6,837</u>	<u>-</u>	<u>4,976</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 40,679	-	-	-
Accrued Expenditures	78,146	-	-	2,739
Due to Other Funds	-	-	-	2,237
Total Liabilities	<u>118,825</u>	<u>-</u>	<u>-</u>	<u>4,976</u>
Fund Balances				
Fund Balance:				
Nonspendable:				
Deposits	10,000	-	-	-
Restricted for:				
Instruction	-	6,837	-	-
Assigned to:				
Subsequent Years Expenditures and Other Programs	16,488	-	-	-
Total Fund Balance	<u>26,488</u>	<u>6,837</u>	<u>-</u>	<u>-</u>
Total Liabilities and Fund Balances	<u>\$ 145,313</u>	<u>6,837</u>	<u>-</u>	<u>4,976</u>

The accompanying notes are an integral part of these financial statements

Federal Charter Planning 24146	Teacher Principal Training 24154	Reads to Leads 27114	Public School Capital Outlay 31200	Total
-	-	-	-	99,750
-	675	25,199	34,500	65,350
-	-	-	-	42,400
-	-	-	-	10,000
<u>-</u>	<u>675</u>	<u>25,199</u>	<u>34,500</u>	<u>217,500</u>
-	-	17,428	-	58,107
-	-	2,783	-	83,668
-	675	4,988	34,500	42,400
<u>-</u>	<u>675</u>	<u>25,199</u>	<u>34,500</u>	<u>184,175</u>
-	-	-	-	10,000
-	-	-	-	6,837
-	-	-	-	16,488
-	-	-	-	33,325
<u>-</u>	<u>675</u>	<u>25,199</u>	<u>34,500</u>	<u>217,500</u>

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STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Sage Montessori Charter School
 Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
 June 30, 2015

Fund Balance - Total Governmental Funds **\$ 33,325**

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

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

Capital Assets	23,261	
Accumulated Depreciation	<u>(11,898)</u>	
		11,363

Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds		86,633
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Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds.		(129,349)
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The net pension liability is not due and payable in the current period and, therefore, is not reported in the funds.		<u>(1,178,225)</u>
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Net Position-Total Governmental Activities **\$ (1,176,253)**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Sage Montessori Charter School
Statement of Revenues, Expenditures, and Changes In Fund Balances
Governmental Funds
For The Year Ended June 30, 2015

	Operational 11000	Instructional Materials 14000	Title I IASA 24101	IDEA-B Entitlement 24106
REVENUES				
State Grant	\$ 1,527,053	17,288	-	-
Federal Grant	-	-	12,285	35,238
Total Revenues	<u>1,527,053</u>	<u>17,288</u>	<u>12,285</u>	<u>35,238</u>
EXPENDITURES				
Current:				
Instruction	869,916	25,801	12,285	30,176
Support Services:				
Students	56,344	-	-	5,152
Instruction	24,812	-	-	-
General Administration	61,458	-	-	-
School Administration	201,009	-	-	-
Central Services	99,180	-	-	-
Operation & Maintenance of Plant	319,009	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>1,631,728</u>	<u>25,801</u>	<u>12,285</u>	<u>35,328</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(104,675)</u>	<u>(8,513)</u>	<u>-</u>	<u>(90)</u>
Other financing sources (uses):				
Transfers in (out)	23,366	-	-	90
Total other financing sources (uses):	<u>23,366</u>	<u>-</u>	<u>-</u>	<u>90</u>
Net Changes in Fund Balances	<u>(81,309)</u>	<u>(8,513)</u>	<u>-</u>	<u>-</u>
Fund Balances - Beginning of Year	<u>107,797</u>	<u>15,350</u>	<u>-</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ 26,488</u>	<u>6,837</u>	<u>-</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements

Federal Charter Planning 24146	Teacher Principal Training 24154	Reads to Leads 27114	Public School Capital Outlay 31200	Total
-	-	50,000	138,001	1,732,342
-	675	-	-	48,198
-	675	50,000	138,001	1,780,540
14,533	550	50,129	-	1,003,390
-	-	-	-	61,496
-	-	-	-	24,812
-	-	-	-	61,458
-	125	-	-	201,134
5,000	-	-	-	104,180
33,000	-	-	-	352,009
-	-	-	138,001	138,001
52,533	675	50,129	138,001	1,946,480
(52,533)	-	(129)	-	(165,940)
(23,585)	-	129	-	-
(23,585)	-	129	-	-
(76,118)	-	-	-	(165,940)
76,118	-	-	-	199,265
-	-	-	-	33,325

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Sage Montessori Charter School
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2015

Net Change in Fund Balances-Total Governmental Funds **\$ (165,940)**

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

Capital outlays to purchase or build capital assets are reported in
 governmental funds as expenditures. However, for governmental activities
 those costs are shown in the Statement of Net Position and allocated over
 their estimated useful lives as annual depreciation expenses in the
 Statement of Activities. This is the amount by which capital outlay exceeds
 depreciation for the period

Depreciation Expense	(4,652)
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Changes in long-term liabilities

Change in the net pension liability	6,645
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Change in Net Position-Total Governmental Activities	<u><u>\$ (163,947)</u></u>
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The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Sage Montessori Charter School
 Statement of Fiduciary Assets and Liabilities- Agency Funds
 June 30, 2015

	<u>Agency</u>
ASSETS	
Cash in Bank	\$ 13,851
Total Assets	<u>\$ 13,851</u>
 LIABILITIES	
Deposits Held for Others	\$ 13,851
Total Liabilities	<u>\$ 13,851</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Sage Montessori Charter School
 Schedule of Changes in Assets and Liabilities - Agency Funds
 For The Year Ended June 30, 2015

	<u>Balance July 1, 2014</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2015</u>
ASSETS				
Cash in Bank	\$ 12,447	18,856	(17,452)	13,851
Total Assets	<u>\$ 12,447</u>	<u>18,856</u>	<u>(17,452)</u>	<u>13,851</u>
 LIABILITIES				
Deposits Held for Others	\$ 12,447	18,856	(17,452)	13,851
Total Liabilities	<u>\$ 12,447</u>	<u>18,856</u>	<u>(17,452)</u>	<u>13,851</u>

The accompanying notes are an integral part of these financial statements

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Capital Assets. Capital assets purchased or acquired are 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. Sage Montessori Charter School's capitalization policy (i.e., the dollar value above which the asset acquisitions are added to the capital accounts) is \$5,000. Sage Montessori Charter School does not capitalize any interest with regard to its capital assets.

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

Furniture, Fixtures and Equipment	5 years
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Capital assets for Sage Montessori Charter School are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB's Fiduciary Net Position have been determined on the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Sage Montessori Charter School
Notes to the Financial Statements
June 30, 2015

NOTE 2. CAPITAL ASSETS

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

	<u>Balance</u> <u>June 30, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2015</u>
<i>Capital Assets being Depreciated:</i>				
Furniture, Fixtures and Equipment	\$ 23,261	-	-	23,261
<i>Total</i>	<u>23,261</u>	<u>-</u>	<u>-</u>	<u>23,261</u>
<i>Less: Accumulated Depreciation</i>				
Furniture, fixtures and equipment	(7,246)	(4,652)	-	(11,898)
<i>Total</i>	<u>(7,246)</u>	<u>(4,652)</u>	<u>-</u>	<u>(11,898)</u>
Capital Assets, Net	<u>\$ 16,015</u>	<u>(4,652)</u>	<u>-</u>	<u>11,363</u>

Depreciation expensed for the year ended June 30, 2015 was expensed to the following function:

Operations and Maintenance of Plant	<u>\$ 4,652</u>
Total	<u>\$ 4,652</u>

NOTE 3. COMMITMENTS AND LIABILITIES

Sage Montessori Charter School leases equipment and facilities under long-term cancelable operating leases. Rental expenses for the year ended June 30, 2015 was \$292,471. Sage Montessori Charter School's minimum future payments on these leases are as follows:

Year Ending June 30:	
2016	\$ 210,560
2017	<u>210,560</u>
Total	<u>\$ 421,120</u>

NOTE 3. COMMITMENTS AND LIABILITIES (CONTINUED)

In December 2014, Sage Montessori Charter School ceased making payments on one of its building leases and subsequently vacated the property. The School paid the November 2014 lease payment however the payment was placed into a trust. The lease spanned from August 1, 2012 through June 30, 2017, and provided for annual rents of \$233,036 in fiscal year 2015, \$239,984 in fiscal year 2016, and \$246,932 in fiscal year 2017. In May 2015, the property manager's attorney sent the School a letter stating all rent payments due from November 1, 2014 through present remain outstanding. As of the date of the letter, May 12, 2015, the School was in default of rent payments in the amount of \$135,938. Another demand letter was sent on July 24, 2015 stating \$176,558 is still due. Additionally, the letters state the School owes the scheduled rent payment on the first of each month pursuant to the terms of the agreement. The School does not intend on paying the amount demanded but has retained legal counsel to advise the School on this matter.

NOTE 4. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to Sage Montessori Charter School and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions. The contribution requirements of defined benefit plan members and Sage Montessori Charter School are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year ended June 30, 2014, employers contributed 13.15% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.10% of their gross annual salary. For fiscal year ended June 30, 2015, employers contributed 13.90% and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 contributed an increased amount of 10.70% of their gross annual salary. Contributions to the pension plan from Sage Montessori Charter School were \$86,633 for the year ended June 30, 2015.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Sage Montessori Charter School
Notes to the Financial Statements
June 30, 2015

NOTE 4. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2013. The total ERB pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2014, using generally accepted actuarial principles. Therefore, the employer’s portion was established as of the measurement date June 30, 2014.

At June 30, 2015, Sage Montessori Charter School reported a liability of \$1,178,225 for its proportionate share of the net pension liability. Sage Montessori Charter School’s proportion of the net pension liability is based on the employer contributing entity’s percentage of total employer contributions for the fiscal year ended June 30, 2014. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2014, Sage Montessori Charter School’s proportion was 0.02065%, which was a decrease of 0.0001% from its proportion measured as of June 30, 2013.

For the year ended June 30, 2015, Sage Montessori Charter School recognized pension expense of \$79,988. At June 30, 2015, Sage Montessori Charter School reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	17,555
Net difference between projected and actual earnings on pension plan investments	-	107,127
Changes in proportion and differences between the School’s contributions and proportionate share of contributions	-	4,667
The School’s contributions subsequent to the measurement date	<u>86,633</u>	<u>-</u>
Total	<u>\$ 86,633</u>	<u>129,349</u>

\$86,633 reported as deferred outflows of resources related to pensions resulting from Sage Montessori Charter School contributions subsequent to the measurement date June 30, 2014 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Sage Montessori Charter School
Notes to the Financial Statements
June 30, 2015

NOTE 4. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2016	\$ 34,490
2017	34,490
2018	33,565
2019	<u>26,804</u>
Total	\$ <u>129,349</u>

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

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
The School’s proportionate share of the net pension liability	<u>\$ 1,603,113</u>	<u>1,178,225</u>	<u>823,494</u>

Payables to the pension plan. At June 30, 2015, Sage Montessori Charter School owed \$18,836 to ERB for fiscal year 2015 contributions.

NOTE 5. OVERSPENT BUDGET LINE ITEMS

As stated in finding 2015-004, Sage Montessori Charter School had expenditures in excess of the budget in the following funds:

24146 Federal Charter Planning (Instruction)	\$ 14,851
24146 Federal Charter Planning (Central Services)	5,000
24154 Teacher Principal Training (School Administration)	125

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Sage Montessori Charter School
Notes to the Financial Statements
June 30, 2015**

NOTE 6. RESTATEMENT

As a result of implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, net position at June 30, 2014 was restated in the amount of \$(1,227,586).

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SAGE MONTESSORI CHARTER SCHOOL
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2015

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.02%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 1,178	-	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 569	-	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	206.96%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30, 2014

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 SAGE MONTESSORI CHARTER SCHOOL
 SCHEDULE OF SCHOOL CONTRIBUTIONS
 June 30, 2015

New Mexico Educational Retirement Board Pension Plan
 Schedule of Ten Year Tracking Data
 (Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 75	-	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	75	-	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ -	-	-	-	-	-	-	-	-	-

Year	Total Amount Deferred	Amortization Years	Increase (Decrease) in Pension Expense over Recognition Periods											
			2015	2016	2017	2018	2019	2020	2021	2022	2023	2024		
2014	\$ 129	5	\$ 34	34	34	34	27	-	-	-	-	-	-	-
2015	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2016	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2017	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2018	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2019	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2020	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2021	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2022	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2023	-	5	-	-	-	-	-	-	-	-	-	-	-	-
	\$ 129		\$ 34	34	34	34	27	-	-	-	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Sage Montessori Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 1,393,825	1,527,058	1,527,053	(5)
Total Revenues	1,393,825	1,527,058	1,527,053	(5)
EXPENDITURES				
Current:				
Instruction	876,042	903,884	868,565	35,319
Support Services:				
Students	49,000	48,806	48,796	10
Instruction	19,000	26,923	25,428	1,495
General Administration	21,000	61,857	61,625	232
School Administration	196,561	203,652	203,652	-
Central Services	90,050	95,917	95,716	201
Operation & Maintenance of Plant	159,397	310,945	310,740	205
Total Expenditures	1,411,050	1,651,984	1,614,522	37,462
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<i>(17,225)</i>	<i>(124,926)</i>	<i>(87,469)</i>	<i>37,457</i>
Other Financing Sources (Uses):				
Transfers	-	-	23,366	23,366
Designated Cash	17,225	114,069	-	(114,069)
Total Other Financing Sources (Uses):	17,225	114,069	23,366	(90,703)
Net Changes in Fund Balances	-	(10,857)	(64,103)	(53,246)
Cash or Fund Balances - Beginning of Year	-	-	107,797	107,797
Cash or Fund Balances - End of Year	\$ -	(10,857)	43,694	54,551
Reconciliation to GAAP Basis:				
<i>Net change in fund balance</i>			\$ (64,103)	
Adjustments to Revenues			-	
Adjustments to Expenditures			(17,206)	
NET CHANGE IN FUND BALANCE			\$ (81,309)	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Sage Montessori Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 9,973	13,837	17,288	3,451
Total Revenues	<u>9,973</u>	<u>13,837</u>	<u>17,288</u>	<u>3,451</u>
EXPENDITURES				
Current:				
Instruction	20,885	29,187	25,801	3,386
Total Expenditures	<u>20,885</u>	<u>29,187</u>	<u>25,801</u>	<u>3,386</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(10,912)</u>	<u>(15,350)</u>	<u>(8,513)</u>	<u>6,837</u>
Other Financing Sources (Uses):				
Designated Cash	10,912	15,350	-	(15,350)
Total Other Financing Sources (Uses):	<u>10,912</u>	<u>15,350</u>	<u>-</u>	<u>(15,350)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(8,513)</u>	<u>(8,513)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>15,350</u>	<u>15,350</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>6,837</u>	<u>6,837</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (8,513)	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (8,513)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Sage Montessori Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Title I IASA 24101
 For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 13,491	37,510	12,285	(25,225)
Total Revenues	<u>13,491</u>	<u>37,510</u>	<u>12,285</u>	<u>(25,225)</u>
EXPENDITURES				
Current:				
Instruction	13,491	35,510	12,285	23,225
Support Services:				
School Administration	-	2,000	-	2,000
Total Expenditures	<u>13,491</u>	<u>37,510</u>	<u>12,285</u>	<u>25,225</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Sage Montessori Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 IDEA-B Entitlement 24106
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ -	35,404	64,216	28,812
Total Revenues	<u>-</u>	<u>35,404</u>	<u>64,216</u>	<u>28,812</u>
EXPENDITURES				
Current:				
Instruction	-	30,210	30,176	34
Support Services:				
Students	-	5,194	5,152	42
Total Expenditures	<u>-</u>	<u>35,404</u>	<u>35,328</u>	<u>76</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>28,888</u>	<u>28,888</u>
Other financing sources (uses):				
Transfers	-	-	90	90
Total other financing sources (uses):	<u>-</u>	<u>-</u>	<u>90</u>	<u>90</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>28,978</u>	<u>28,978</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>28,978</u>	<u>28,978</u>
Reconciliation to GAAP Basis:				
<i>Net change in fund balance</i>			\$ 28,978	
Adjustments to Revenues			(28,978)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Sage Montessori Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Federal Charter Planning 24146
 For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ -	-	43,226	43,226
Total Revenues	<u>-</u>	<u>-</u>	<u>43,226</u>	<u>43,226</u>
EXPENDITURES				
Current:				
Instruction	-	-	14,851	(14,851)
Central Services	-	-	5,000	(5,000)
Total Expenditures	<u>-</u>	<u>-</u>	<u>19,851</u>	<u>(19,851)</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>23,375</u>	<u>23,375</u>
Other Financing Sources (Uses):				
Transfers	-	-	(23,585)	(23,585)
Total other financing sources (uses):	<u>-</u>	<u>-</u>	<u>(23,585)</u>	<u>(23,585)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(210)</u>	<u>(210)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>210</u>	<u>210</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Net change in fund balance</i>			\$ (210)	
Adjustments to Revenues			(43,226)	
Adjustments to Expenditures			(32,682)	
NET CHANGE IN FUND BALANCE			<u>\$ (76,118)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Sage Montessori Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Teacher Principal Training 24154
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 3,463	9,174	-	(9,174)
Total Revenues	<u>3,463</u>	<u>9,174</u>	<u>-</u>	<u>(9,174)</u>
EXPENDITURES				
Current:				
Instruction	3,463	9,174	550	8,624
Support Services:				
School Administration	-	-	125	(125)
Total expenditures	<u>3,463</u>	<u>9,174</u>	<u>675</u>	<u>8,499</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(675)	(675)
Net changes in Fund Balances	-	-	(675)	(675)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(675)</u>	<u>(675)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (675)	
Adjustments to Revenues			675	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Sage Montessori Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Reads to Leads 27114
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 50,000	50,000	65,227	15,227
Total Revenues	<u>50,000</u>	<u>50,000</u>	<u>65,227</u>	<u>15,227</u>
EXPENDITURES				
Current:				
Instruction	50,000	50,000	32,701	17,299
Total Expenditures	<u>50,000</u>	<u>50,000</u>	<u>32,701</u>	<u>17,299</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>32,526</u>	<u>32,526</u>
Other Financing Sources (Uses):				
Transfers	-	-	129	129
Total Other Financing Sources (Uses):	<u>-</u>	<u>-</u>	<u>129</u>	<u>129</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>32,655</u>	<u>32,655</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>32,655</u>	<u>32,655</u>
Reconciliation to GAAP Basis:				
<i>Net change in fund balance</i>			\$ 32,655	
Adjustments to Revenues			(15,227)	
Adjustments to Expenditures			<u>(17,428)</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Sage Montessori Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Public School Capital Outlay 31200
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	138,001	103,501	(34,500)
Total Revenues	<u>-</u>	<u>138,001</u>	<u>103,501</u>	<u>(34,500)</u>
EXPENDITURES				
Capital Outlay	-	138,001	138,001	-
Total Expenditures	<u>-</u>	<u>138,001</u>	<u>138,001</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(34,500)	(34,500)
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(34,500)</u>	<u>(34,500)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(34,500)</u>	<u>(34,500)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (34,500)	
Adjustments to Revenues			34,500	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Sage Montessori Charter School
 Schedule of Collateral Pledged by Depository for Public Funds
 June 30, 2015

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2015</u>
N/A	N/A	N/A	N/A	\$ -
				<u>\$ -</u>

Total Cash per Schedule of Cash Accounts:	\$	115,089
Less: FDIC coverage:		<u>(115,089)</u>
Uninsured Public Funds:		-
Collateral Requirement:		-
Pledged Collateral Held by Pledging Financial Institution:		<u>-</u>
Balance Over Collateralized:	\$	<u>-</u>
Balance Uninsured and Uncollateralized at June 30, 2015:	\$	<u>-</u>

The accompanying notes are an integral part of these financial statements

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STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Sage Montessori Charter School
 Schedule of Cash Accounts
 June 30, 2015

<u>Bank Account Type</u>	<u>Wells Fargo</u>
Checking - Operational Account	\$ 115,089
<i>Total on Deposit</i>	115,089
Reconciling Items	<u>(1,488)</u>
Reconciled Balance June 30, 2015	<u>113,601</u>
Less Agency Funds	<u>(13,851)</u>
<i>Total Cash</i>	<u><u>\$ 99,750</u></u>

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Sage Montessori Charter School
Cash Reconciliation
June 30, 2015

	Operational 11000	Instructional Materials 14000	Non-Instruct. Fund 23000	Federal Projects Account 24000
Cash, June 30, 2014	\$ 114,069	15,350	12,447	210
Add:				
2014-15 revenues	<u>1,527,053</u>	<u>17,288</u>	<u>18,856</u>	<u>119,727</u>
Total Cash Available	1,641,122	32,638	31,303	119,937
Less:				
2014-15 expenditures	(1,614,522)	(25,801)	(17,452)	(68,139)
Receivables/Payables	(13,256)	-	-	26,833
Outstanding Loans	<u>55,984</u>	<u>-</u>	<u>-</u>	<u>(55,046)</u>
Cash June 30, 2015	<u>69,328</u>	<u>6,837</u>	<u>13,851</u>	<u>23,585</u>
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	<u>23,585</u>	<u>-</u>	<u>-</u>	<u>(23,585)</u>
Cash Per Books	<u>92,913</u>	<u>6,837</u>	<u>13,851</u>	<u>-</u>
Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	<u>(66,425)</u>	<u>-</u>	<u>(13,851)</u>	<u>-</u>
Fund Balance, Modified Accrual Basis	<u>\$ 26,488</u>	<u>6,837</u>	<u>-</u>	<u>-</u>

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

State Account 27000	Public School Capital Outlay 31200	Total
-	-	142,076
<u>65,227</u>	<u>103,501</u>	<u>1,851,652</u>
65,227	103,501	1,993,728
(32,701)	(138,001)	(1,896,616)
2,912	-	16,489
<u>(35,438)</u>	<u>34,500</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>113,601</u>
-	-	-
<u>-</u>	<u>-</u>	<u>113,601</u>
	Less - Agency Fund:	<u>(13,851)</u>
		<u>\$ 99,750</u>
-	-	(80,276)
<u>-</u>	<u>-</u>	<u>\$ 33,325</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
School of Dreams Academy
Statement of Net Position
June 30, 2015

ASSETS AND DEFERRED OUTFLOWS

Current assets:

Cash	\$ 556,313
Restricted cash	10,000
Receivables	
Due from other governments	116,856
Total current assets	<u>683,169</u>

Noncurrent assets:

Capital assets	
Vehicles	215,719
Furniture, fixtures, and equipment	247,807
Less: accumulated depreciation	(284,701)
Total noncurrent assets	<u>178,825</u>

Total Assets

861,994

Deferred outflows - pension related

216,541

LIABILITIES AND DEFERRED INFLOWS

Current liabilities:

Accounts payable	7,180
Current portion of compensated absences	5,513
Total current liabilities	<u>12,693</u>

Noncurrent liabilities:

Compensated absences	16,539
Net pension liability	2,645,168
Total noncurrent liabilities	<u>2,661,707</u>

Total liabilities

2,674,400

Deferred inflows - pension related

557,125

NET POSITION

Investment in capital assets	178,825
Restricted	182,879
Unrestricted (Deficit)	(2,514,694)
Total net position	<u><u>\$ (2,152,990)</u></u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
School of Dreams Academy
Statement of Activities
For The Year Ended June 30, 2015

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 1,626,094	-	371,792	-	(1,254,302)
Support services:					
Students	375,436	-	-	-	(375,436)
Instruction	123,889	-	-	-	(123,889)
General Administration	58,473	-	-	-	(58,473)
School Administration	232,806	-	-	-	(232,806)
Central Services	56,059	-	-	-	(56,059)
Operation & Maintenance of Plant	510,089	-	-	-	(510,089)
Community Services Operations	11,658	-	-	-	(11,658)
Facilities Materials, Supplies & Other Services	424,150	-	-	410,326	(13,824)
Total governmental activities	<u>\$ 3,418,654</u>	<u>-</u>	<u>371,792</u>	<u>410,326</u>	<u>(2,636,536)</u>
General Revenues:					
State Equalization Guarantee					\$ 2,700,705
Miscellaneous					<u>3,156</u>
Total general revenues					<u>2,703,861</u>
Change in net position					67,325
Net position-beginning					895,066
Restatement					<u>(3,115,381)</u>
Net position - beginning, restated					<u>(2,220,315)</u>
Net position-ending					<u>\$ (2,152,990)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
School of Dreams Academy
Balance Sheets - Governmental Funds
June 30, 2015

	Operational 11000	Instructional Materials 14000	Title I IASA 24101	IDEA-B Entitlement 24106
ASSETS				
<i>Assets</i>				
Cash and Cash Equivalents	\$ 290,844	19,660	-	-
Restricted Cash	-	-	-	-
Accounts receivable				
Due from Government	-	-	11,606	3,141
Due from other funds	116,856	-	-	-
Total Assets	<u>\$ 407,700</u>	<u>19,660</u>	<u>11,606</u>	<u>3,141</u>
LIABILITIES AND FUND BALANCES				
<i>Liabilities:</i>				
Accounts payable	\$ 7,180	-	-	-
Due to other funds	-	-	11,606	3,141
Total Liabilities	<u>7,180</u>	<u>-</u>	<u>11,606</u>	<u>3,141</u>
<i>Fund Balances</i>				
Fund Balance (Deficit):				
Restricted for:				
Instruction	-	19,660	-	-
Capital improvements	-	-	-	-
Unassigned	400,520	-	-	-
Total Fund Balance	<u>400,520</u>	<u>19,660</u>	<u>-</u>	<u>-</u>
<i>Total Liabilities and Fund Balance</i>	<u>\$ 407,700</u>	<u>19,660</u>	<u>11,606</u>	<u>3,141</u>

The accompanying notes are an integral part of these financial statements

IDEA-B Risk Pool 24120	Teacher Principal Training 24154	Title XIX Medicaid 25153	Dual Credit 27103	2012 GO Bonds 27107	2013 Robotics 27116	Early College High School 27180
-	-	7,263	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	102,109
-	-	-	-	-	-	-
-	-	7,263	-	-	-	102,109
-	-	-	-	-	-	-
-	-	-	-	-	-	102,109
-	-	-	-	-	-	102,109
-	-	7,263	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	7,263	-	-	-	-
-	-	7,263	-	-	-	102,109

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
School of Dreams Academy
Balance Sheets - Governmental Funds (Continued)
June 30, 2015

	Public Schools Capital Outlay 31200	Special Capital Outlay 31400	HB 33 Capital Outlay 31600	SB 9 Capital Improvements 31700	Foundation	Total Government
ASSETS						
<i>Assets</i>						
Cash and Cash Equivalents	\$ -	60,900	52,282	42,774	82,590	556,313
Restricted Cash	-	-	-	-	10,000	10,000
Accounts receivable						
Due from Government	-	-	-	-	-	116,856
Due from other funds	-	-	-	-	-	116,856
Total Assets	<u>\$ -</u>	<u>60,900</u>	<u>52,282</u>	<u>42,774</u>	<u>92,590</u>	<u>800,025</u>
LIABILITIES AND FUND BALANCES						
<i>Liabilities:</i>						
Accounts payable	\$ -	-	-	-	-	7,180
Due to other funds	-	-	-	-	-	116,856
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>124,036</u>
<i>Fund Balances</i>						
Fund Balance (Deficit):						
Restricted for:						
Instruction	-	-	-	-	-	26,923
Capital improvements	-	60,900	52,282	42,774	-	155,956
Unassigned	-	-	-	-	92,590	493,110
Total Fund Balance	<u>-</u>	<u>60,900</u>	<u>52,282</u>	<u>42,774</u>	<u>92,590</u>	<u>675,989</u>
<i>Total Liabilities and Fund Balance</i>	<u>\$ -</u>	<u>60,900</u>	<u>52,282</u>	<u>42,774</u>	<u>92,590</u>	<u>800,025</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 School of Dreams Academy
 Reconciliation of the Balance Sheet Governmental Funds to the Statement of Net Position
 June 30, 2015

Fund balances - total governmental funds		\$ 675,989
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
Capital assets	463,526	
Accumulated depreciation	<u>(284,701)</u>	178,825
Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds.		216,541
Long-term liabilities are not due in the current period and, therefore, are not reported in the funds.		
Net pension liability	(2,645,168)	
Compensated absences	<u>(22,052)</u>	(2,667,220)
Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds.		<u>(557,125)</u>
Net Position-total Governmental Activities		<u><u>\$ (2,152,990)</u></u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
School of Dreams Academy
Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit)
Governmental Funds
For The Year Ended June 30, 2015

	Operational 11000	Instructional Materials 14000	Title I IASA 24101	IDEA-B Entitlement 24106
Revenues:				
Property Taxes	\$ -	-	-	-
Local & County Grant	3,156	-	-	-
State grant	2,700,705	26,893	-	-
Federal grant	-	-	45,958	38,640
Miscellaneous	-	-	-	-
Total Revenues	<u>2,703,861</u>	<u>26,893</u>	<u>45,958</u>	<u>38,640</u>
Expenditures:				
Current:				
Instruction	1,596,494	19,071	43,878	-
Support Services:				
Students	344,033	-	500	38,640
Instruction	-	-	-	-
General Administration	44,009	-	-	-
School Administration	233,625	-	-	-
Central Services	57,265	-	-	-
Operation & Maintenance of Plant	510,089	-	-	-
Community Services	12,496	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>2,798,011</u>	<u>19,071</u>	<u>44,378</u>	<u>38,640</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(94,150)</u>	<u>7,822</u>	<u>1,580</u>	<u>-</u>
Other financing sources (uses):				
Operating transfers	(155)	-	-	-
Total other financing sources (uses):	<u>(155)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	<u>(94,305)</u>	<u>7,822</u>	<u>1,580</u>	<u>-</u>
Fund balances (Deficit) - beginning of year	<u>494,825</u>	<u>11,838</u>	<u>(1,580)</u>	<u>-</u>
Fund balances - end of year	<u>\$ 400,520</u>	<u>19,660</u>	<u>-</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements

IDEA-B Risk Pool 24120	Teacher Principal Training 24154	Title XIX Medicaid 25153	Dual Credit 27103	2012 Go Bonds 27107	2013 Robotics 27116	Early College High School 27180
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	3,078	-	3,395	-	173,115
-	675	-	-	-	-	-
-	-	-	-	-	-	-
-	675	3,078	-	3,395	-	173,115
-	675	-	-	-	-	45,077
-	-	4,694	-	3,395	-	-
-	-	-	-	-	-	128,038
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	675	4,694	-	3,395	-	173,115
-	-	(1,616)	-	-	-	-
155	-	-	-	-	-	-
155	-	-	-	-	-	-
155	-	(1,616)	-	-	-	-
(155)	-	8,879	-	-	-	-
-	-	7,263	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
School of Dreams Academy
Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit)
Governmental Funds (continued)
For The Year Ended June 30, 2015

	Public Schools Capital Outlay 31200	Special Capital Outlay 31400	HB 33 Capital Outlay 31600	SB 9 Capital Improvements 31700	Foundation	Total
Revenues:						
Property Taxes	\$ -	-	61,442	21,032	-	82,474
Local & County Grant	-	-	-	-	80,034	83,190
State grant	274,151	53,701	-	-	-	3,235,038
Federal grant	-	-	-	-	-	85,273
Miscellaneous	-	-	-	-	4	4
Total Revenues	<u>274,151</u>	<u>53,701</u>	<u>61,442</u>	<u>21,032</u>	<u>80,038</u>	<u>3,485,979</u>
Expenditures:						
Current:						
Instruction	-	-	-	-	-	1,705,195
Support Services:						
Students	-	-	-	-	2,927	394,189
Instruction	-	-	-	-	-	128,038
General Administration	-	-	-	-	14,464	58,473
School Administration	-	-	-	-	-	233,625
Central Services	-	-	-	-	-	57,265
Operation & Maintenance of Plant	-	-	-	-	-	510,089
Community Services	-	-	-	-	-	12,496
Capital outlay	274,151	-	123,200	19,125	-	416,476
Total expenditures	<u>274,151</u>	<u>-</u>	<u>123,200</u>	<u>19,125</u>	<u>17,391</u>	<u>3,515,846</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>53,701</u>	<u>(61,758)</u>	<u>1,907</u>	<u>62,647</u>	<u>(29,867)</u>
Other financing sources (uses):						
Operating transfers	-	-	-	-	-	-
Total other financing sources (uses):	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	<u>-</u>	<u>53,701</u>	<u>(61,758)</u>	<u>1,907</u>	<u>62,647</u>	<u>(29,867)</u>
Fund balances (Deficit) - beginning of year	<u>-</u>	<u>7,199</u>	<u>114,040</u>	<u>40,867</u>	<u>29,943</u>	<u>705,856</u>
Fund balances - end of year	<u>\$ -</u>	<u>60,900</u>	<u>52,282</u>	<u>42,774</u>	<u>92,590</u>	<u>675,989</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
School of Dreams Academy
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For The Year Ended June 30, 2015

Net change in fund balances-total governmental funds **\$ (29,867)**

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

Change in compensated absences 2,389

Change in net pension liability 129,629

Capital Outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the Statement of Net Position and allocated over their estimated useful lives as annual depreciation expenses in the Statement of Activities. This is the amount by which capital outlay exceeds depreciation for the period

Depreciation expense	(34,826)	(34,826)
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Change in Net Position-total Governmental Activities **\$ 67,325**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 School of Dreams Academy
 Statement of Fiduciary Assets and Liabilities - Agency Funds
 June 30, 2015

	<u>Agency Funds</u>
ASSETS	
Cash in bank	\$ 11,027
Total Assets	<u>\$ 11,027</u>
LIABILITIES	
Deposits held for others	\$ 11,027
Total Liabilities	<u>\$ 11,027</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
School of Dreams Academy
Schedule of Changes in Assets and Liabilities - Agency Funds
For The Year Ended June 30, 2015

	<u>Balance</u> <u>July 1, 2014</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2015</u>
ASSETS				
Cash in bank	\$ 21,760	33,696	(44,429)	11,027
Total assets	<u>\$ 21,760</u>	<u>33,696</u>	<u>(44,429)</u>	<u>11,027</u>
LIABILITIES				
Deposits held for others	\$ 21,760	33,696	(44,429)	11,027
Total liabilities	<u>\$ 21,760</u>	<u>33,696</u>	<u>(44,429)</u>	<u>11,027</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
School of Dreams Academy
Notes to the Financial Statements
June 30, 2014

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Capital Assets. Capital assets, which include property, plant, and equipment, are reported in the applicable governmental-wide financial statements. The School of Dreams Academy (SODA) defines capital assets as assets with an initial, individual cost of more than \$5,000 and an initial useful life extending beyond a single reporting period. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

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

Furniture, fixtures and equipment	5-10 years
Vehicles	8 years

NOTE 2. CAPITAL ASSETS

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

	<u>Balance</u> <u>June 30, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2015</u>
<i>Capital Assets being Depreciated:</i>				
Furniture, fixtures and equipment	\$ 247,807	-	-	247,807
Vehicles	215,719	-	-	215,719
<i>Total</i>	<u>463,526</u>	-	-	<u>463,526</u>
<i>Less: Accumulated Depreciation</i>	<u>(249,875)</u>	<u>(34,826)</u>	-	<u>(284,701)</u>
Capital assets, net	<u>\$ 213,651</u>	<u>(34,826)</u>	-	<u>178,825</u>

Depreciation expensed for the year ended June 30, 2015 was expensed to the following functions:

Instruction	\$ 13,325
School Administration	12,021
Operation & Maintenance of Plant	1,806
Capital Outlay	<u>7,674</u>
Total	<u>\$ 34,826</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
School of Dreams Academy
Notes to the Financial Statements
June 30, 2014

NOTE 3. COMMITMENTS AND LIABILITIES

SODA leased buildings and equipment under short-term cancelable operating leases. Rental expense for the year ended June 30, 2015 was \$543,311. SODA's minimum future payments on these leases are as follows:

Year Ending June 30:	
2016	\$ 539,928
2017	141,874
2018	2,912
2019	70
2020	-
Total minimum lease payments	\$ <u>684,784</u>

NOTE 4. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to the School of Dreams Academy (SODA) and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions. The contribution requirements of defined benefit plan members and SODA are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year ended June 30, 2014 employers contributed 13.15% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.10% of their gross annual salary. For fiscal year ended June 30, 2015 employers contributed 13.90%, and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 contributed an increased amount of 10.70% of their gross annual salary. Contributions to the pension plan from SODA were \$216,541 for the year ended June 30, 2015.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2013. The total ERB pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2014, using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date June 30, 2014. At June 30, 2015, SODA reported a liability of \$2,645,168 for its proportionate share of the net pension liability. SODA's proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2014. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2014, SODA's proportion was 0.04636% percent, which was a decrease of 0.00595% from its proportion measured as of June 30, 2013.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
School of Dreams Academy
Notes to the Financial Statements
June 30, 2014

NOTE 4. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

For the year ended June 30, 2015, SODA recognized pension expense of \$86,912. At the June 30, 2015, SODA reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	39,405
Changes in assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	240,465
Changes in proportion and differences between SODA contributions and proportionate share of contributions	-	277,255
SODA contributions subsequent to the measurement date	<u>216,541</u>	<u>-</u>
Total	<u>\$ 216,541</u>	<u>557,125</u>

\$216,541 reported as deferred outflows of resources related to pensions resulting from SODA's contributions subsequent to the measurement date June 30, 2014 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2016	\$ 170,055
2017	170,055
2018	156,862
2019	<u>60,153</u>
Total	<u>\$ 557,125</u>

NOTE 4. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Sensitivity of SODA’s proportionate share of the net pension liability to changes in the discount rate.

The following table shows the sensitivity of the net pension liability to changes in the discount rate as of the fiscal year end 2014. In particular, the table presents the (employer’s) net pension liability under the current single rate assumption, as if it were calculated using a discount rate one percentage point lower (6.75%) or one percentage point higher (8.75%) than the single discount rate.

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
SODA’s proportionate share of the net pension liability	<u>\$ 3,599,058</u>	<u>2,645,168</u>	<u>1,848,469</u>

Payables to the pension plan. SODA did not accrue any payables for the pension plan at June 30, 2015. All 10-month teacher contracts for the school year are paid in full by fiscal year end.

NOTE 5. OVERSPENT BUDGET LINE ITEMS

As stated in the finding, 2015-002, SODA had expended in excess of the budget.

Title I IASA (24101)	
Support Services – Students	\$ (500)
Early College High School (27180)	
Support Services – Instruction	\$ (13,038)

NOTE 6. RELATED PARTIES

During the fiscal year, the Business Manager also provided services for Las Montana’s Charter High School, a Las Cruces Charter School.

NOTE 7. PRIOR PERIOD ADJUSTMENT

Statement of Activities. Net position at June 30, 2015 was restated in the amount of \$3,115,381. This restatement was due to the implementation of GASB 68, *Accounting and Financial Reporting for Pensions*.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHOOL OF DREAMS ACADEMY
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2015

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.05%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 2,645	-	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 1,278	-	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	206.96%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30, 2014

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
SCHOOL OF DREAMS ACADEMY
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2015

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 168	-	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	168	-	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ -	-	-	-	-	-	-	-	-	-

Year	Total Amount Deferred	Amortization Years	Increase (Decrease) in Pension Expense over Recognition Periods											
			2015	2016	2017	2018	2019	2020	2021	2022	2023	2024		
2014	\$ 557	5	\$ 170	170	170	157	60	-	-	-	-	-	-	-
2015	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2016	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2017	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2018	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2019	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2020	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2021	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2022	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2023	-	5	-	-	-	-	-	-	-	-	-	-	-	-
	\$ 557		\$ 170	170	170	157	60	-	-	-	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
School of Dreams Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2015

	Budgeted Amounts			Variance Positive (Negative)
	Original Budget	Final Budget	Actual Amount	
Revenues:				
Local & County Grant	\$ -	-	3,156	3,156
State grant	2,682,359	2,700,705	2,700,705	-
Total Revenues	2,682,359	2,700,705	2,703,861	3,156
Expenditures:				
Current:				
Instruction	1,599,868	1,598,868	1,593,029	5,839
Support Services:				
Students	352,203	352,185	344,033	8,152
General Administration	57,000	47,948	44,009	3,939
School Administration	241,579	248,490	233,625	14,865
Central Services	58,500	58,500	57,265	1,235
Operation & Maintenance of Plant	650,764	663,269	510,089	153,180
Community Services	8,767	17,767	12,496	5,271
Total expenditures	2,968,681	2,987,027	2,794,546	192,481
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<i>(286,322)</i>	<i>(286,322)</i>	<i>(90,685)</i>	<i>195,637</i>
Other financing sources (uses):				
Operating transfers	-	-	(155)	-
Designated Cash	286,322	286,322	-	(286,322)
Total other financing sources (uses):	286,322	286,322	(155)	(286,322)
Net changes in fund balances	-	-	(90,840)	(90,840)
Cash or fund balances - beginning of year	-	-	498,540	498,540
Cash or fund balances - end of year	\$ -	-	407,700	407,700
Reconciliation to GAAP Basis:				
Excess revenues over (under) expenditures			\$ -	
Adjustments to revenues			(3,465)	
Adjustments to expenditures				
NET CHANGE IN FUND BALANCE			\$ (94,305)	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
School of Dreams Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
State grant	\$ -	19,072	26,893	7,821
Total Revenues	<u>-</u>	<u>19,072</u>	<u>26,893</u>	<u>7,821</u>
Expenditures:				
Current:				
Instruction	-	19,072	19,071	1
Total expenditures	<u>-</u>	<u>19,072</u>	<u>19,071</u>	<u>1</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>7,822</u>	<u>7,822</u>
Net changes in fund balances	<u>-</u>	<u>-</u>	<u>7,822</u>	<u>7,822</u>
Cash or fund balances - beginning of year	<u>-</u>	<u>-</u>	<u>11,838</u>	<u>11,838</u>
Cash or fund balances - end of year	<u>\$ -</u>	<u>-</u>	<u>19,660</u>	<u>19,660</u>
Reconciliation to GAAP Basis:				
Excess revenues over (under) expenditures				
Adjustments to revenues			\$ -	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 7,822</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
School of Dreams Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Title I IASA 24101
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
Federal grant	\$ 47,271	96,541	37,526	(59,015)
Total Revenues	<u>47,271</u>	<u>96,541</u>	<u>37,526</u>	<u>(59,015)</u>
Expenditures:				
Current:				
Instruction	47,271	72,231	43,878	28,353
Support Services:				
Students	-	-	500	(500)
Community Services Operations	-	24,310	-	24,310
Total expenditures	<u>47,271</u>	<u>96,541</u>	<u>44,378</u>	<u>52,163</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(6,852)</u>	<u>(6,852)</u>
Net changes in fund balances	<u>-</u>	<u>-</u>	<u>(6,852)</u>	<u>(6,852)</u>
Cash or fund balances - beginning of year	<u>-</u>	<u>-</u>	<u>(4,754)</u>	<u>(4,754)</u>
Cash or fund balances - end of year	<u>\$ -</u>	<u>-</u>	<u>(11,606)</u>	<u>(11,606)</u>
Reconciliation to GAAP Basis:				
Excess revenues over (under) expenditures				
Adjustments to revenues			\$ 8,432	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 1,580</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
School of Dreams Academy
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Entitlement 24106
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
Federal grant	\$ 55,413	101,439	43,062	(58,377)
Total Revenues	<u>55,413</u>	<u>101,439</u>	<u>43,062</u>	<u>(58,377)</u>
Expenditures:				
Current:				
Support Services:				
Students	55,413	101,439	38,640	62,799
Total expenditures	<u>55,413</u>	<u>101,439</u>	<u>38,640</u>	<u>62,799</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>4,422</u>	<u>4,422</u>
Net changes in fund balances	<u>-</u>	<u>-</u>	<u>4,422</u>	<u>4,422</u>
Cash or fund balances - beginning of year	<u>-</u>	<u>-</u>	<u>(7,563)</u>	<u>(7,563)</u>
Cash or fund balances - end of year	<u>\$ -</u>	<u>-</u>	<u>(3,141)</u>	<u>(3,141)</u>
Reconciliation to GAAP Basis:				
Excess revenues over (under) expenditures				
Adjustments to revenues			\$ (4,422)	
Adjustments to expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
School of Dreams Academy
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Risk Pool 24120
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
Federal grant	\$ -	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures:				
Current:				
Support Services:				
Students	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other financing sources (uses):				
Operating transfers	-	-	155	-
Total other financing sources (uses):	<u>-</u>	<u>-</u>	<u>155</u>	<u>-</u>
Net changes in fund balances	<u>-</u>	<u>-</u>	<u>155</u>	<u>155</u>
Cash or fund balances - beginning of year	<u>-</u>	<u>-</u>	<u>(155)</u>	<u>(155)</u>
Cash or fund balances - 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			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 155</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 School of Dreams Academy
 Schedule of Budgetary Comparisons - Budgetary Basis
 Teacher Principal Training 24154
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
Federal grant	\$ 11,581	25,284	5,530	(19,754)
Total Revenues	<u>11,581</u>	<u>25,284</u>	<u>5,530</u>	<u>(19,754)</u>
Expenditures:				
Current:				
Instruction	9,581	9,581	675	8,906
Support Services:				
Students	-	13,703	-	13,703
School Administration	2,000	2,000	-	2,000
Total expenditures	<u>11,581</u>	<u>25,284</u>	<u>675</u>	<u>24,609</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>4,855</u>	<u>4,855</u>
Net changes in fund balances	<u>-</u>	<u>-</u>	<u>4,855</u>	<u>4,855</u>
Cash or fund balances - beginning of year	<u>-</u>	<u>-</u>	<u>(4,855)</u>	<u>(4,855)</u>
Cash or fund balances - end of year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
Excess revenues over (under) expenditures				
Adjustments to revenues			\$ (4,855)	
Adjustments to expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
School of Dreams Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Title XIX Medicaid 25153
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
State grant	\$ -	-	3,078	3,078
Total Revenues	<u>-</u>	<u>-</u>	<u>3,078</u>	<u>3,078</u>
Expenditures:				
Current:				
Support Services:				
Students	7,000	7,000	4,694	2,306
Total expenditures	<u>7,000</u>	<u>7,000</u>	<u>4,694</u>	<u>2,306</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(7,000)</u>	<u>(7,000)</u>	<u>(1,616)</u>	<u>5,384</u>
Other financing sources (uses):				
Designated Cash	7,000	7,000	-	(7,000)
Total other financing sources (uses):	<u>7,000</u>	<u>7,000</u>	<u>-</u>	<u>(7,000)</u>
Net changes in fund balances	<u>-</u>	<u>-</u>	<u>(1,616)</u>	<u>(1,616)</u>
Cash or fund balances - beginning of year	<u>-</u>	<u>-</u>	<u>8,879</u>	<u>8,879</u>
Cash or fund balances - end of year	<u>\$ -</u>	<u>-</u>	<u>7,263</u>	<u>7,263</u>
Reconciliation to GAAP Basis:				
Excess revenues over (under) expenditures				
Adjustments to revenues			\$ -	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (1,616)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
School of Dreams Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Dual Credit 27103
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
State grant	\$ -	-	285	285
Total Revenues	<u>-</u>	<u>-</u>	<u>285</u>	<u>285</u>
Expenditures:				
Current:				
Instruction	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>285</u>	<u>285</u>
Net changes in fund balances	<u>-</u>	<u>-</u>	<u>285</u>	<u>285</u>
Cash or fund balances - beginning of year	<u>-</u>	<u>-</u>	<u>(285)</u>	<u>(285)</u>
Cash or fund balances - end of year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
Excess revenues over (under) expenditures				
Adjustments to revenues			\$ (285)	
Adjustments to expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
School of Dreams Academy
Schedule of Budgetary Comparisons - Budgetary Basis
2012 GO Bonds 27107
For The Year Ended June 30, 2015

	Budgeted Amounts			Variance Positive (Negative)
	Original Budget	Final Budget	Actual Amount	
Revenues:				
State grant	\$ 3,395	3,395	3,395	-
Total Revenues	<u>3,395</u>	<u>3,395</u>	<u>3,395</u>	<u>-</u>
Expenditures:				
Current:				
Support Services:				
Students	3,395	3,395	3,395	-
Total expenditures	<u>3,395</u>	<u>3,395</u>	<u>3,395</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or fund balances - beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or fund balances - 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			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
School of Dreams Academy
Schedule of Budgetary Comparisons - Budgetary Basis
2013 Robotics 27116
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
State grant	\$ -	-	40,564	40,564
Total Revenues	<u>-</u>	<u>-</u>	<u>40,564</u>	<u>40,564</u>
Expenditures:				
Current:				
Instruction	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>40,564</u>	<u>40,564</u>
Net changes in fund balances	<u>-</u>	<u>-</u>	<u>40,564</u>	<u>40,564</u>
Cash or fund balances - beginning of year	<u>-</u>	<u>-</u>	<u>(40,564)</u>	<u>(40,564)</u>
Cash or fund balances - end of year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
Excess revenues over (under) expenditures				
Adjustments to revenues			\$ (40,564)	
Adjustments to expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
School of Dreams Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Early College High School - 27180
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
State grant	\$ -	175,000	71,006	(103,994)
Total Revenues	<u>-</u>	<u>175,000</u>	<u>71,006</u>	<u>(103,994)</u>
Expenditures:				
Current:				
Instruction	-	60,000	45,077	14,923
Support Services:				
Instruction	-	115,000	128,038	(13,038)
Total expenditures	<u>-</u>	<u>175,000</u>	<u>173,115</u>	<u>1,885</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(102,109)</u>	<u>(102,109)</u>
Net changes in fund balances	<u>-</u>	<u>-</u>	<u>(102,109)</u>	<u>(102,109)</u>
Cash or fund balances - beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or fund balances - end of year	<u>\$ -</u>	<u>-</u>	<u>(102,109)</u>	<u>(102,109)</u>
Reconciliation to GAAP Basis:				
Excess revenues over (under) expenditures				
Adjustments to revenues			\$ 102,109	
Adjustments to expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 School of Dreams Academy
 Schedule of Budgetary Comparisons - Budgetary Basis
 Public Schools Capital Outlay 31200
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
State grant	\$ -	274,151	274,151	-
Total Revenues	<u>-</u>	<u>274,151</u>	<u>274,151</u>	<u>-</u>
Expenditures:				
Current:				
Capital outlay	-	274,151	274,151	-
Total expenditures	<u>-</u>	<u>274,151</u>	<u>274,151</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or fund balances - beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or fund balances - 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			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 School of Dreams Academy
 Schedule of Budgetary Comparisons - Budgetary Basis
 Special Capital Outlay 31400
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
State grant	\$ -	-	53,701	53,701
Total Revenues	<u>-</u>	<u>-</u>	<u>53,701</u>	<u>53,701</u>
Expenditures:				
Current:				
Capital outlay	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>53,701</u>	<u>53,701</u>
Net changes in fund balances	<u>-</u>	<u>-</u>	<u>53,701</u>	<u>53,701</u>
Cash or fund balances - beginning of year	<u>-</u>	<u>-</u>	<u>7,199</u>	<u>7,199</u>
Cash or fund balances - end of year	<u>\$ -</u>	<u>-</u>	<u>60,900</u>	<u>60,900</u>
Reconciliation to GAAP Basis:				
Excess revenues over (under) expenditures				
Adjustments to revenues			\$ -	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 53,701</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
School of Dreams Academy
Schedule of Budgetary Comparisons - Budgetary Basis
HB 33 Capital Outlay 31600
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
Property Taxes	\$ 98,974	98,974	61,442	(37,532)
Total Revenues	<u>98,974</u>	<u>98,974</u>	<u>61,442</u>	<u>(37,532)</u>
Expenditures:				
Current:				
Capital outlay	221,069	221,069	123,200	97,869
Total expenditures	<u>221,069</u>	<u>221,069</u>	<u>123,200</u>	<u>97,869</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(122,095)</u>	<u>(122,095)</u>	<u>(61,758)</u>	<u>60,337</u>
Other financing sources (uses):				
Designated Cash	122,095	122,095	-	(122,095)
Total other financing sources (uses):	<u>122,095</u>	<u>122,095</u>	<u>-</u>	<u>(122,095)</u>
Net changes in fund balances	<u>-</u>	<u>-</u>	<u>(61,758)</u>	<u>(61,758)</u>
Cash or fund balances - beginning of year	<u>-</u>	<u>-</u>	<u>114,040</u>	<u>114,040</u>
Cash or fund balances - end of year	<u>\$ -</u>	<u>-</u>	<u>52,282</u>	<u>52,282</u>
Reconciliation to GAAP Basis:				
Excess revenues over (under) expenditures				
Adjustments to revenues			\$ -	
Adjustments to expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ (61,758)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
School of Dreams Academy
Schedule of Budgetary Comparisons - Budgetary Basis
SB 9 Capital Improvements 31700
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
Property Taxes	\$ 65,982	65,982	21,032	(44,950)
State grant	34,833	74,849	-	(74,849)
Total Revenues	<u>100,815</u>	<u>140,831</u>	<u>21,032</u>	<u>(119,799)</u>
Expenditures:				
Current:				
Capital outlay	127,537	167,553	19,125	148,428
Total expenditures	<u>127,537</u>	<u>167,553</u>	<u>19,125</u>	<u>148,428</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(26,722)</u>	<u>(26,722)</u>	<u>1,907</u>	<u>28,629</u>
Other financing sources (uses):				
Designated Cash	26,722	26,722	-	(26,722)
Total other financing sources (uses):	<u>26,722</u>	<u>26,722</u>	<u>-</u>	<u>(26,722)</u>
Net changes in fund balances	<u>-</u>	<u>-</u>	<u>1,907</u>	<u>1,907</u>
Cash or fund balances - beginning of year	<u>-</u>	<u>-</u>	<u>40,867</u>	<u>40,867</u>
Cash or fund balances - end of year	<u>\$ -</u>	<u>-</u>	<u>42,774</u>	<u>42,774</u>
Reconciliation to GAAP Basis:				
Excess revenues over (under) expenditures				
Adjustments to revenues			\$ -	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 1,907</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
School of Dreams Academy
Schedule of Collateral Pledged by Depository
For Public Funds
June 30, 2015

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2015</u>
Wells Fargo	FNMA	3138LY5A1	7/1/2042	\$ 55,543
Wells Fargo	FNMA	3138W7GH1	3/1/2043	4,104
Wells Fargo	FNMA	3138W9A34	7/1/2043	43,042
Wells Fargo	FNMA	3138WUUS0	9/1/2043	155,299
Wells Fargo	FNMA	3138WXSS7	7/1/2043	29,231
Wells Fargo	FNMA	31418ADH8	3/1/2042	21,516
Wells Fargo	FNMA	31418NZW3	3/1/2040	23,219
				<u>\$ 331,954</u>
Total cash in bank per Schedule of Cash Accounts:				\$ 710,710
Less: FDIC coverage:				<u>(332,590)</u>
Uninsured public funds:				378,120
Collateral requirement:				189,060
Pledged collateral held by pledging financial institution:				<u>331,954</u>
Balance over-collateralized:				<u>\$ 142,894</u>
Balance uninsured and uncollateralized at June 30, 2015:				<u>\$ 46,166</u>

The accompanying notes are an integral part of these financial statements

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STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
School of Dreams Academy
Schedule of Cash Accounts
June 30, 2015

Bank Account Type	Wells Fargo	US Bank	Total
Checking - Operational Account	\$ 628,120	-	628,120
Checking - Foundation	-	82,590	82,590
Total on Deposit	628,120	82,590	710,710
Reconciling Items	(143,370)	-	(143,370)
Reconciled Balance June 30, 2015	484,750	82,590	567,340
Less Agency Funds	(11,027)	-	(11,027)
Total Cash	<u>\$ 473,723</u>	<u>82,590</u>	<u>556,313</u>
Deposits Held in Escrow - Restricted Cash			<u>10,000</u>
Total Cash			<u>\$ 566,313</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
School of Dreams Academy
Cash Reconciliation
June 30, 2015

	Operational 11000	Instructional Materials 14000	Federal Flowthrough 24000	Federal Direct 25000
Cash, June 30, 2014	\$ 498,540	11,838	(17,327)	8,879
Add:				
2014-15 revenues	<u>2,703,861</u>	<u>26,893</u>	<u>86,118</u>	<u>3,078</u>
Total cash available	3,202,401	38,731	68,791	11,957
Less:				
2014-15 expenditures	(2,794,546)	(19,071)	(83,693)	(4,694)
Transfers to/from other funds	(155)	-	155	-
Outstanding Loans	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash June 30, 2015	<u>407,700</u>	<u>19,660</u>	<u>(14,747)</u>	<u>7,263</u>
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	(116,856)	-	14,747	-
Cash per Books	<u>290,844</u>	<u>19,660</u>	<u>-</u>	<u>7,263</u>
Fund Balance (Deficit) Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	109,676	-	-	-
Fund Balance (Deficit), Modified Accrual Basis	<u>\$ 400,520</u>	<u>19,660</u>	<u>-</u>	<u>7,263</u>

*Foundation is not required to be reported to PED, and is therefore not included in the cash report

The accompanying notes are an integral part of these financial statements

State Flowthrough 27000	Public School Capital Outlay 31200	Special Capital Outlay-State 31400	Capital Improv. HB 33 31600	Capital Improv. SB 9 31700	Total
(40,849)	-	7,199	114,040	40,867	623,187
115,250	274,151	53,701	61,442	21,032	3,345,526
74,401	274,151	60,900	175,482	61,899	3,968,713
(176,510)	(274,151)	-	(123,200)	(19,125)	(3,494,990)
-	-	-	-	-	-
-	-	-	-	-	-
(102,109)	-	60,900	52,282	42,774	473,723
102,109	-	-	-	-	-
-	-	60,900	52,282	42,774	473,723
				Foundation*:	92,590
				Total cash per books:	\$ 566,313
-	-	-	-	-	109,676
-	-	60,900	52,282	42,774	583,399
				Foundation*:	92,590
				Total Fund Balance (Deficit), Modified Accrual Basis:	\$ 675,989

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 South Valley Preparatory School
 Statement of Net Position
 June 30, 2015

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 88,549
Receivables	
Due from Other Governments	167,844
Deposits	<u>25,125</u>
Total Current Assets	<u>281,518</u>

Noncurrent Assets:

Capital Assets	
Furniture, Fixtures, and Equipment	6,344
Less: Accumulated Depreciation	<u>(6,344)</u>
Total Noncurrent Assets	<u>-</u>

Total Assets	<u>281,518</u>
---------------------	----------------

Deferred Outflows - Pension Related	<u>186,877</u>
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LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Cash Overdraft	10,547
Accounts Payable	2,209
Accrued Liabilities	<u>72,418</u>
Total Current Liabilities	<u>85,174</u>

Noncurrent Liabilities:

Net Pension Liability	<u>1,472,070</u>
Total Noncurrent Liabilities	<u>1,472,070</u>

Total Liabilities	<u>1,557,244</u>
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Deferred Inflows - Pension Related	<u>155,760</u>
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NET POSITION

Restricted	113,676
Unrestricted (Deficit)	<u>(1,358,285)</u>
Total Net Position	<u>\$ (1,244,609)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
South Valley Preparatory School
Statement of Activities
For The Year Ended June 30, 2015

Functions/Programs	Program Revenues				Net (Expenses) Revenues and Changes in Net Position
	Expenses	Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 826,641	-	199,634	-	(627,007)
Support Services:					
Students	98,268	-	-	-	(98,268)
Instruction	50,281	-	-	-	(50,281)
General Administration	33,370	-	-	-	(33,370)
School Administration	189,869	-	-	-	(189,869)
Central Services	95,764	-	-	-	(95,764)
Operation & Maintenance of Plant	79,246	-	-	-	(79,246)
Food Services	79,884	4,880	70,900	-	(4,104)
Facilities Materials, Supplies & Other Services	109,304	-	-	90,894	(18,410)
Total Governmental Activities	\$ 1,562,627	4,880	270,534	90,894	(1,196,319)
General Revenues:					
Property Taxes					\$ 44,007
State Equalization Guarantee					1,106,879
Total General Revenues					1,150,886
Change in Net Position					(45,433)
Net Position, Beginning of Year					206,215
Restatement					(1,405,391)
Net Position, as Restated					(1,199,176)
Net Position, Ending					\$ (1,244,609)

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
South Valley Preparatory School
Balance Sheets - Governmental Funds
June 30, 2015

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101
ASSETS				
Cash and Cash Equivalents	\$ -	15,128	3,755	-
Accounts Receivable				
Due from Government	-	-	-	37,317
Due from Other Funds	157,543	-	-	-
Deposits	-	-	-	-
Total Assets	\$ 157,543	15,128	3,755	37,317
LIABILITIES AND FUND BALANCES				
Liabilities:				
Cash Overdraft	\$ 10,547	-	-	-
Accounts Payable	2,209	-	-	-
Accrued Expenditures	62,119	-	-	9,140
Due to Other Funds	-	-	-	28,176
Total Liabilities	74,875	-	-	37,316
Fund Balances				
Fund Balance:				
Nonspendable:				
Deposits	-	-	-	-
Restricted for:				
Instruction	-	15,128	-	1
Food Service Operations	-	-	3,755	-
Capital Improvements	-	-	-	-
Unassigned	82,668	-	-	-
Total Fund Balance	82,668	15,128	3,755	1
Total Liabilities and Fund Balances	\$ 157,543	15,128	3,755	37,317

The accompanying notes are an integral part of these financial statements

IDEA-B Entitlement 24106	IDEA-B Risk Pool 24120	Federal Charter School Planning 24146	English Language Acquisition 24153	Teacher Principal Training 24154	Medicaid Ancillary 25152
-	-	-	-	-	1,972
24,914	344	-	2,744	3,186	-
-	-	-	-	-	-
-	-	25,125	-	-	-
<u>24,914</u>	<u>344</u>	<u>25,125</u>	<u>2,744</u>	<u>3,186</u>	<u>1,972</u>
-	-	-	-	-	-
-	-	-	-	-	-
1,159	-	-	-	-	-
23,754	344	-	2,744	3,186	-
<u>24,913</u>	<u>344</u>	<u>-</u>	<u>2,744</u>	<u>3,186</u>	<u>-</u>
-	-	25,125	-	-	-
1	-	-	-	-	1,972
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>1</u>	<u>-</u>	<u>25,125</u>	<u>-</u>	<u>-</u>	<u>1,972</u>
<u>24,914</u>	<u>344</u>	<u>25,125</u>	<u>2,744</u>	<u>3,186</u>	<u>1,972</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
South Valley Preparatory School
Balance Sheets - Governmental Funds (Continued)
June 30, 2015

	2012 SB-66 Student Library 27107	Robot Systems 27115	After School and Summer Enrichment 27168	STEM Teacher Initiative 27181
ASSETS				
Cash and Cash Equivalents	\$ -	-	-	-
Accounts Receivable				
Due from Government	-	5,583	71,470	-
Due from Other Funds	-	-	-	-
Deposits	-	-	-	-
Total Assets	\$ -	5,583	71,470	-
LIABILITIES AND FUND BALANCES				
Liabilities:				
Cash Overdraft	\$ -	-	-	-
Accounts Payable	-	-	-	-
Accrued Expenditures	-	-	-	-
Due to Other Funds	-	5,583	71,470	-
Total Liabilities	-	5,583	71,470	-
Fund Balances				
Fund Balance:				
Nonspendable:				
Deposits	-	-	-	-
Restricted for:				
Instruction	-	-	-	-
Food Service Operations	-	-	-	-
Capital Improvements	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balance	-	-	-	-
Total Liabilities and Fund Balances	\$ -	5,583	71,470	-

The accompanying notes are an integral part of these financial statements

Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Total
-	67,694	88,549
22,286	-	167,844
-	-	157,543
-	-	25,125
<u>22,286</u>	<u>67,694</u>	<u>439,061</u>
-	-	10,547
-	-	2,209
-	-	72,418
<u>22,286</u>	<u>-</u>	<u>157,543</u>
<u>22,286</u>	<u>-</u>	<u>242,717</u>
-	-	25,125
-	-	17,102
-	-	3,755
-	67,694	67,694
-	-	82,668
<u>-</u>	<u>67,694</u>	<u>196,344</u>
<u>22,286</u>	<u>67,694</u>	<u>439,061</u>

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STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 South Valley Preparatory School
 Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
 June 30, 2015

Fund Balance - Total Governmental Funds **\$ 196,344**

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

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

Capital Assets	6,344	
Accumulated Depreciation	(6,344)	
	-	

Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds.		186,877
---	--	---------

Long-term liabilities are not due in the current period and, therefore, are not reported in the funds.		
Net Pension Liability		(1,472,070)

Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds.		
		(155,760)

Net Position-Total Governmental Activities **\$ (1,244,609)**

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
South Valley Preparatory School
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit)
Governmental Funds
For The Year Ended June 30, 2015

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101
REVENUES				
Property Taxes	\$ -	-	-	-
Local & County Grant	884	-	-	-
State Grant	1,106,879	10,956	-	-
Federal Grant	-	-	70,900	58,489
Charges for Services	-	-	4,880	-
Total Revenues	1,107,763	10,956	75,780	58,489
EXPENDITURES				
Current:				
Instruction	690,022	8,164	-	58,492
Support Services:				
Students	66,824	-	-	-
Instruction	3,731	-	-	-
General Administration	33,370	-	-	-
School Administration	177,262	-	-	-
Central Services	95,764	-	-	-
Operation & Maintenance of Plant	78,535	-	-	-
Food Services Operations	743	-	79,141	-
Capital Outlay	-	-	-	-
Total Expenditures	1,146,251	8,164	79,141	58,492
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(38,488)</u>	<u>2,792</u>	<u>(3,361)</u>	<u>(3)</u>
Net Changes in Fund Balances	<u>(38,488)</u>	<u>2,792</u>	<u>(3,361)</u>	<u>(3)</u>
Fund Balances(Deficit) - Beginning of Year	<u>121,156</u>	<u>12,336</u>	<u>7,116</u>	<u>4</u>
Fund Balances - End of Year	<u>\$ 82,668</u>	<u>15,128</u>	<u>3,755</u>	<u>1</u>

The accompanying notes are an integral part of these financial statements

IDEA-B Entitlement 24106	IDEA-B Risk Pool 24120	Federal Charter School Planning 24146	English Language Acquisition 24153	Teacher Principal Training 24154	Medicaid Ancillary 25152
-	-	-	-	-	-
-	-	-	-	-	1,663
-	-	-	-	-	-
28,956	344	-	2,870	8,580	309
-	-	-	-	-	-
<u>28,956</u>	<u>344</u>	<u>-</u>	<u>2,870</u>	<u>8,580</u>	<u>1,972</u>
-	34	-	2,295	5,346	-
28,955	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	1,443	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>28,955</u>	<u>34</u>	<u>-</u>	<u>2,295</u>	<u>6,789</u>	<u>-</u>
<u>1</u>	<u>310</u>	<u>-</u>	<u>575</u>	<u>1,791</u>	<u>1,972</u>
<u>1</u>	<u>310</u>	<u>-</u>	<u>575</u>	<u>1,791</u>	<u>1,972</u>
<u>-</u>	<u>(310)</u>	<u>25,125</u>	<u>(575)</u>	<u>(1,791)</u>	<u>-</u>
<u>1</u>	<u>-</u>	<u>25,125</u>	<u>-</u>	<u>-</u>	<u>1,972</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
South Valley Preparatory School
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit) - Continued
Governmental Funds
For The Year Ended June 30, 2015

	2012 Student Library SB-66 27107	Robot Systems 27115	After School and Summer Enrichment 27168	STEM Teacher Initiative 27181
REVENUES				
Property Taxes	\$ -	-	-	-
Local & County Grant	-	-	-	-
State Grant	3,151	5,583	71,470	6,379
Federal Grant	-	-	-	-
Charges for Services	-	-	-	-
Total Revenues	<u>3,151</u>	<u>5,583</u>	<u>71,470</u>	<u>6,379</u>
EXPENDITURES				
Current:				
Instruction	-	5,583	24,366	6,379
Support Services:				
Students	-	-	-	-
Instruction	3,151	-	43,399	-
General Administration	-	-	-	-
School Administration	-	-	3,705	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>3,151</u>	<u>5,583</u>	<u>71,470</u>	<u>6,379</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances(Deficit) - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>

Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Total
-	44,007	44,007
-	-	2,547
90,894	-	1,295,312
-	-	170,448
-	-	4,880
<u>90,894</u>	<u>44,007</u>	<u>1,517,194</u>
-	-	800,681
-	-	95,779
-	-	50,281
-	-	33,370
-	-	182,410
-	-	95,764
-	-	78,535
-	-	79,884
<u>91,478</u>	<u>17,826</u>	<u>109,304</u>
<u>91,478</u>	<u>17,826</u>	<u>1,526,008</u>
<u>(584)</u>	<u>26,181</u>	<u>(8,814)</u>
<u>(584)</u>	<u>26,181</u>	<u>(8,814)</u>
<u>584</u>	<u>41,513</u>	<u>205,158</u>
<u>-</u>	<u>67,694</u>	<u>196,344</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
South Valley Preparatory School
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2015

Net Change in Fund Balance-Total Governmental Funds **\$ (8,814)**

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

Capital outlays to purchase or build capital assets are reported in
 governmental funds as expenditures. However, for governmental activities
 those costs are shown in the Statement of Net Position and allocated over
 their estimated useful lives as annual depreciation expenses in the
 Statement of Activities. This is the amount by which capital outlay exceeds
 depreciation for the period

Depreciation Expense (1,057)

The issuance of long-term debt (e.g., bonds, notes, leases) provide current
 financial resources to governmental funds, while the repayment of the
 principal of long-term debt consumes the current financial resources of
 governmental funds. Neither transaction, however, has any effect on net
 position.

Changes in Net Pension Liability (35,562)

Change in Net Position-Total Governmental Activities **\$ (45,433)**

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
South Valley Preparatory School
Statement of Fiduciary Assets and Liabilities- Agency Funds
June 30, 2015

	<u>Agency</u>
ASSETS	
Cash in Bank	\$ 5,027
Total Assets	<u>\$ 5,027</u>
 LIABILITIES	
Deposits Held for Others	\$ 5,027
Total Liabilities	<u>\$ 5,027</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 South Valley Preparatory School
 Schedule of Changes in Assets and Liabilities - Agency Funds
 For The Year Ended June 30, 2015

	<u>Balance</u> <u>July 1, 2014</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2015</u>
ASSETS				
Cash in Bank	\$ 9,734	34,715	(39,422)	5,027
Total Assets	<u>\$ 9,734</u>	<u>34,715</u>	<u>(39,422)</u>	<u>5,027</u>
LIABILITIES				
Deposits Held for Others	\$ 9,734	34,715	(39,422)	5,027
Total Liabilities	<u>\$ 9,734</u>	<u>34,715</u>	<u>(39,422)</u>	<u>5,027</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
South Valley Preparatory School
Notes to the Financial Statements
June 30, 2015

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Capital Assets. Capital assets purchased or acquired are 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 South Valley Preparatory School’s capitalization policy (i.e., the dollar value above which the asset acquisitions are added to the capital accounts) is \$5,000. The South Valley Preparatory School does not capitalize any interest with regard to its capital assets.

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

Furniture, Fixtures and Equipment	5 years
Buildings and Improvements	40 years

Capital assets for the South Valley Preparatory School are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB’s Fiduciary Net Position have been determined on the economic resources measurement focus and accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 2. CAPITAL ASSETS

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

	<u>Balance</u> <u>June 30, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2015</u>
<i>Capital Assets being Depreciated:</i>				
Furniture, Fixtures and Equipment	\$ 6,344	-	-	6,344
<i>Total</i>	6,344	-	-	6,344
<i>Less: Accumulated Depreciation</i>				
Furniture, fixtures and equipment	(5,287)	(1,057)	-	(6,344)
<i>Total</i>	(5,287)	(1,057)	-	(6,344)
Capital Assets, Net	\$ 1,057	(1,057)	-	-

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 South Valley Preparatory School
 Notes to the Financial Statements
 June 30, 2015

NOTE 2. CAPITAL ASSETS (CONTINUED)

Depreciation expensed for the year ended June 30, 2015 was expensed to the following functions:

School Administration	\$ 1,057
Total	<u>\$ 1,057</u>

NOTE 3. COMMITMENTS AND LIABILITIES

The South Valley Preparatory School leased equipment and facilities under long-term cancelable operating leases. Rental expense for the year ended June 30, 2015 was \$96,742. The South Valley Preparatory School's minimum future payments on this lease are as follows:

Year Ending June 30:	
2016	\$ 66,000
2017	66,000
2018	66,000
2019	66,000
2020	66,000
Total	<u>\$ 330,000</u>

NOTE 4. RELATED PARTY TRANSACTIONS

The business manager services are performed by an outside manager, which performed services for multiple state charter schools.

NOTE 5. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to the South Valley Preparatory School and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

NOTE 5. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Contributions. The contribution requirements of defined benefit plan members and South Valley Preparatory School are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year ended June 30, 2014 employers contributed 13.15% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.10% of their gross annual salary. For fiscal year ended June 30, 2015 employers contributed 13.90%, and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 contributed an increased amount of 10.70% of their gross annual salary. Contributions to the pension plan from South Valley Preparatory School were \$97,430 for the year ended June 30, 2015.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2013. The total ERB pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2014, using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date June 30, 2014. At June 30, 2015, South Valley Preparatory School reported a liability of \$1,472,070 for its proportionate share of the net pension liability. South Valley Preparatory School's proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2014. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2014, South Valley Preparatory School's proportion was 0.02580 percent, which was an increase of 0.00192% from its proportion measured as of June 30, 2013.

For the year ended June 30, 2015, South Valley Preparatory School recognized pension expense of \$132,992. At the June 30, 2015, South Valley Preparatory School reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
South Valley Preparatory School
Notes to the Financial Statements
June 30, 2015

NOTE 5. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	21,931
Changes in assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	133,829
Changes in proportion and differences between South Valley Preparatory School contributions and proportionate share of contributions	89,447	-
South Valley Preparatory School contributions subsequent to the measurement date	<u>97,430</u>	<u>-</u>
Total	<u>\$ 186,877</u>	<u>155,760</u>

\$97,430 reported as deferred outflows of resources related to pensions resulting from South Valley Preparatory School contributions subsequent to the measurement date June 30, 2014 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2016	\$ 10,010
2017	10,010
2018	12,823
2019	<u>33,470</u>
Total	<u>\$ 66,313</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
South Valley Preparatory School
Notes to the Financial Statements
June 30, 2015

NOTE 5. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

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

	<u>1% Decrease (6.75%)</u>	<u>Current Discount Rate (7.75%)</u>	<u>1% Increase (8.75%)</u>
South Valley Preparatory School's proportionate share of the net pension liability	<u>\$ 2,002,923</u>	<u>1,472,070</u>	<u>1,028,752</u>

Payables to the pension plan. For the year ending June 30, 2015, South Valley Preparatory School's accrued liability due to ERB was \$ 24,077 for payroll paid in July 2015.

NOTE 6. RESTATEMENT

As a result of implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, net position at June 30, 2014 was restated in the amount of \$(1,405,391).

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
South Valley Preparatory School
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2015

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.03%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 1,472	-	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 711	-	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	206.98%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30, 2014

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
South Valley Preparatory School
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2015

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 94	-	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	94	-	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ -	-	-	-	-	-	-	-	-	-

Year	Total Amount Deferred	Amortization Years	Increase (Decrease) in Pension Expense over Recognition Periods											
			2015	2016	2017	2018	2019	2020	2021	2022	2023	2024		
2014	\$ 66	5	\$ 10	10	10	13	33	-	-	-	-	-	-	-
2015	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2016	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2017	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2018	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2019	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2020	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2021	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2022	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2023	-	5	-	-	-	-	-	-	-	-	-	-	-	-
	\$ 66		\$ 10	10	10	13	33	-	-	-	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
South Valley Preparatory School
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Local & County Grant	\$ -	-	884	884
State Grant	1,112,843	1,106,879	1,106,879	-
Total Revenues	1,112,843	1,106,879	1,107,763	884
EXPENDITURES				
Current:				
Instruction	673,807	709,307	688,772	20,535
Support Services:				
Students	77,377	84,963	66,824	18,139
Instruction	7,500	7,500	3,731	3,769
General Administration	24,500	38,500	33,370	5,130
School Administration	180,513	180,513	177,337	3,176
Central Services	109,039	99,575	96,364	3,211
Operation & Maintenance of Plant	87,607	87,607	78,535	9,072
Food Services Operations	2,500	2,500	743	1,757
Capital outlay	60,000	20,000	-	20,000
Total Expenditures	1,222,843	1,230,465	1,145,676	84,789
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<i>(110,000)</i>	<i>(123,586)</i>	<i>(37,913)</i>	<i>85,673</i>
Net Changes in Fund Balances	(110,000)	(123,586)	(37,913)	85,673
Cash or Fund Balances - Beginning of Year	149,122	149,122	149,122	-
Cash or Fund Balances - End of Year	\$ 39,122	25,536	111,209	85,673
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (37,913)	
Adjustments to Expenditures			<u>(575)</u>	
NET CHANGE IN FUND BALANCE			\$ (38,488)	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
South Valley Preparatory School
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 7,875	10,957	10,956	(1)
Total Revenues	<u>7,875</u>	<u>10,957</u>	<u>10,956</u>	<u>(1)</u>
EXPENDITURES				
Current:				
Instruction	18,938	22,020	8,164	13,856
Total Expenditures	<u>18,938</u>	<u>22,020</u>	<u>8,164</u>	<u>13,856</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(11,063)</u>	<u>(11,063)</u>	<u>2,792</u>	<u>13,855</u>
Net Changes in Fund Balances	<u>(11,063)</u>	<u>(11,063)</u>	<u>2,792</u>	<u>13,855</u>
Cash or Fund Balances - Beginning of Year	<u>12,336</u>	<u>12,336</u>	<u>12,336</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ 1,273</u>	<u>1,273</u>	<u>15,128</u>	<u>13,855</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 2,792	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 2,792</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
South Valley Preparatory School
Schedule of Budgetary Comparisons - Budgetary Basis
Food Services 21000
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 69,000	102,500	70,900	(31,600)
Charges for Services	6,000	6,000	4,880	(1,120)
Total Revenues	<u>75,000</u>	<u>108,500</u>	<u>75,780</u>	<u>(32,720)</u>
EXPENDITURES				
Current:				
Food Services Operations	75,000	108,500	79,141	29,359
Total Expenditures	<u>75,000</u>	<u>108,500</u>	<u>79,141</u>	<u>29,359</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(3,361)	(3,361)
Net Changes in Fund Balances	-	-	(3,361)	(3,361)
Cash or Fund Balances - Beginning of Year	7,116	7,116	7,116	-
Cash or Fund Balances - End of Year	<u>\$ 7,116</u>	<u>7,116</u>	<u>3,755</u>	<u>(3,361)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (3,361)	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (3,361)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
South Valley Preparatory School
Schedule of Budgetary Comparisons - Budgetary Basis
Title I IASA 24101
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Local & County Grant	\$ -	-	34,631	34,631
Federal Grant	58,489	58,489	21,172	(37,317)
Total Revenues	<u>58,489</u>	<u>58,489</u>	<u>55,803</u>	<u>(2,686)</u>
EXPENDITURES				
Current:				
Instruction	58,489	58,489	58,488	1
Total Expenditures	<u>58,489</u>	<u>58,489</u>	<u>58,488</u>	<u>1</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(2,685)	(2,685)
Net Changes in Fund Balances	-	-	(2,685)	(2,685)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(2,685)</u>	<u>(2,685)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (2,685)	
Adjustments to Revenues			2,686	
Adjustments to Expenditures			(4)	
NET CHANGE IN FUND BALANCE			<u>\$ (3)</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 South Valley Preparatory School
 Schedule of Budgetary Comparisons - Budgetary Basis
 IDEA-B Entitlement 24106
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Local & County Grant	\$ -	-	1,434	1,434
Federal Grant	26,042	28,957	4,042	(24,915)
Total Revenues	<u>26,042</u>	<u>28,957</u>	<u>5,476</u>	<u>(23,481)</u>
EXPENDITURES				
Current:				
Instruction	26,042	-	-	-
Support Services:				
Students	-	28,957	28,955	2
Total Expenditures	<u>26,042</u>	<u>28,957</u>	<u>28,955</u>	<u>2</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(23,479)	(23,479)
Net Changes in Fund Balances	-	-	(23,479)	(23,479)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(23,479)</u>	<u>(23,479)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (23,479)	
Adjustments to Revenues			23,480	
NET CHANGE IN FUND BALANCE			<u>\$ 1</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 South Valley Preparatory School
 Schedule of Budgetary Comparisons - Budgetary Basis
 IDEA-B Risk Pool 24120
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ -	34	-	(34)
Total Revenues	<u>-</u>	<u>34</u>	<u>-</u>	<u>(34)</u>
EXPENDITURES				
Current:				
Instruction	-	34	34	-
Total Expenditures	<u>-</u>	<u>34</u>	<u>34</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(34)</u>	<u>(34)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(34)</u>	<u>(34)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(34)</u>	<u>(34)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (34)	
Adjustments to Revenues			<u>344</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 310</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 South Valley Preparatory School
 Schedule of Budgetary Comparisons - Budgetary Basis
 English Language Acquisition 24153
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 2,870	2,870	126	(2,744)
Total Revenues	<u>2,870</u>	<u>2,870</u>	<u>126</u>	<u>(2,744)</u>
EXPENDITURES				
Current:				
Instruction	2,870	2,870	2,870	-
Total expenditures	<u>2,870</u>	<u>2,870</u>	<u>2,870</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	-	-	(2,744)	(2,744)
Net changes in Fund Balances	-	-	(2,744)	(2,744)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(2,744)</u>	<u>(2,744)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ (2,744)	
Adjustments to Revenues			2,744	
Adjustments to Expenditures			<u>575</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 575</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 South Valley Preparatory School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Teacher Principal Training 24154
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Local & County Grant	\$ -	-	575	575
Federal Grant	7,826	16,686	5,394	(11,292)
Total Revenues	<u>7,826</u>	<u>16,686</u>	<u>5,969</u>	<u>(10,717)</u>
EXPENDITURES				
Current:				
Instruction	7,826	14,686	7,137	7,549
Support Services:				
School Administration	-	2,000	1,443	557
Total expenditures	<u>7,826</u>	<u>16,686</u>	<u>8,580</u>	<u>8,106</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(2,611)	(2,611)
Net changes in Fund Balances	-	-	(2,611)	(2,611)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(2,611)</u>	<u>(2,611)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (2,611)	
Adjustments to Revenues			2,611	
Adjustments to Expenditures			<u>1,791</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 1,791</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 South Valley Preparatory School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Medicaid/Ancillary 25152
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Local & County Grant	\$ -	-	1,663	1,663
Federal Grant	-	-	309	309
Total Revenues	<u>-</u>	<u>-</u>	<u>1,972</u>	<u>1,972</u>
EXPENDITURES				
Current:				
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>1,972</u>	<u>1,972</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>1,972</u>	<u>1,972</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>1,972</u>	<u>1,972</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 1,972	
Adjustments to revenues			-	
Adjustments to expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 1,972</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 South Valley Preparatory School
 Schedule of Budgetary Comparisons - Budgetary Basis
 2012 SB-66 Student Library 27107
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 3,152	3,152	3,151	(1)
Total Revenues	<u>3,152</u>	<u>3,152</u>	<u>3,151</u>	<u>(1)</u>
EXPENDITURES				
Current:				
Support Services:				
Instruction	3,152	3,152	3,151	1
Total Expenditures	<u>3,152</u>	<u>3,152</u>	<u>3,151</u>	<u>1</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
South Valley Preparatory School
Schedule of Budgetary Comparisons - Budgetary Basis
Robot Systems 27115
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	15,502	-	(15,502)
Total Revenues	<u>-</u>	<u>15,502</u>	<u>-</u>	<u>(15,502)</u>
EXPENDITURES				
Current:				
Instruction	-	15,502	5,583	9,919
Total Expenditures	<u>-</u>	<u>15,502</u>	<u>5,583</u>	<u>9,919</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(5,583)</u>	<u>(5,583)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(5,583)</u>	<u>(5,583)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(5,583)</u>	<u>(5,583)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (5,583)	
Adjustments to Revenues			<u>5,583</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 South Valley Preparatory School
 Schedule of Budgetary Comparisons - Budgetary Basis
 After School and Summer Enrichment 27168
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	75,000	-	(75,000)
Total Revenues	<u>-</u>	<u>75,000</u>	<u>-</u>	<u>(75,000)</u>
EXPENDITURES				
Current:				
Instruction	-	25,000	24,366	634
Support Services:				
Instruction	-	47,000	43,399	3,601
School Administration	-	3,000	3,705	(705)
Total Expenditures	<u>-</u>	<u>75,000</u>	<u>71,470</u>	<u>3,530</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(71,470)</u>	<u>(71,470)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(71,470)</u>	<u>(71,470)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(71,470)</u>	<u>(71,470)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (71,470)	
Adjustments to Revenues			71,470	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 South Valley Preparatory School
 Schedule of Budgetary Comparisons - Budgetary Basis
 STEM Teacher Initiative 27181
 For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	6,379	6,379	-
Total Revenues	<u>-</u>	<u>6,379</u>	<u>6,379</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	-	6,379	6,379	-
Total Expenditures	<u>-</u>	<u>6,379</u>	<u>6,379</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
South Valley Preparatory School
Schedule of Budgetary Comparisons - Budgetary Basis
Public School Capital Outlay 31200
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	91,478	91,449	(29)
Total Revenues	<u>-</u>	<u>91,478</u>	<u>91,449</u>	<u>(29)</u>
EXPENDITURES				
Current:				
Capital Outlay	-	91,478	91,478	-
Total Expenditures	<u>-</u>	<u>91,478</u>	<u>91,478</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(29)</u>	<u>(29)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(29)</u>	<u>(29)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(29)</u>	<u>(29)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (29)	
Adjustments to Revenues			<u>(555)</u>	
NET CHANGE IN FUND BALANCE			<u>\$ (584)</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
South Valley Preparatory School
Schedule of Budgetary Comparisons - Budgetary Basis
SB-9 Capital Improvements 31700
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Property Taxes	\$ 44,271	44,271	44,007	(264)
State Grant	8,157	11,735	-	(11,735)
Total Revenues	<u>52,428</u>	<u>56,006</u>	<u>44,007</u>	<u>(11,999)</u>
EXPENDITURES				
Current:				
Capital Outlay	52,428	56,006	17,826	38,180
Total Expenditures	<u>52,428</u>	<u>56,006</u>	<u>17,826</u>	<u>38,180</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	26,181	26,181
Net Changes in Fund Balances	-	-	26,181	26,181
Cash or Fund Balances - Beginning of Year	41,513	41,513	41,513	-
Cash or Fund Balances - End of Year	<u>\$ 41,513</u>	<u>41,513</u>	<u>67,694</u>	<u>26,181</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 26,181	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 26,181</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 South Valley Preparatory School
 Schedule of Collateral Pledged by Depository for Public Funds
 June 30, 2015

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2015</u>
N/A	N/A	N/A	N/A	\$ -
				<u>\$ -</u>

Total Cash per Schedule of Cash Accounts:	\$	131,094
Less: FDIC coverage:		<u>(131,094)</u>
Uninsured Public Funds:		-
Collateral Requirement:		-
Pledged Collateral Held by Pledging Financial Institution:		<u>-</u>
Balance Over Collateralized:	\$	<u>-</u>
Balance Uninsured and Uncollateralized at June 30, 2015:	\$	<u>-</u>

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STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 South Valley Preparatory School
 Schedule of Cash Accounts
 June 30, 2015

<u>Bank Account Type</u>	<u>Wells Fargo</u>
Checking - Operational Account	\$ 131,094
Total on Deposit	131,094
Reconciling Items	<u>(48,065)</u>
Reconciled Balance June 30, 2015	<u>83,029</u>
Less Agency Funds	<u>(5,027)</u>
Total Cash	<u><u>\$ 78,002</u></u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
South Valley Preparatory School
Cash Reconciliation
June 30, 2015

	Operational 11000	Instructional Materials 14000	Food Services 21000	Non-Instruct. Fund 23000
Cash, June 30, 2014	\$ 127,686	6,799	7,116	9,734
Add:				
2014-15 revenues	<u>1,107,763</u>	<u>10,956</u>	<u>75,780</u>	<u>34,715</u>
Total Cash Available	1,235,449	17,755	82,896	44,449
Less:				
2014-15 expenditures	(1,145,676)	(8,164)	(79,141)	(39,422)
Receivables/Payables	57,223	5,537	-	-
Outstanding Loans	<u>(167,845)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash June 30, 2015	<u>(20,849)</u>	<u>15,128</u>	<u>3,755</u>	<u>5,027</u>
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	<u>10,302</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash Per Books	<u>(10,547)</u>	<u>15,128</u>	<u>3,755</u>	<u>5,027</u>
Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	<u>93,215</u>	<u>-</u>	<u>-</u>	<u>(5,027)</u>
Fund Balance, Modified Accrual Basis	<u>\$ 82,668</u>	<u>15,128</u>	<u>3,755</u>	<u>-</u>

Federal Projects Account 24000	Federal Direct 25000	State Account 27000	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Total
(37,745)	-	-	(22,257)	41,513	132,846
<u>67,373</u>	<u>1,972</u>	<u>9,530</u>	<u>91,449</u>	<u>44,008</u>	<u>1,443,546</u>
29,628	1,972	9,530	69,192	85,521	1,576,392
(98,930)	-	(86,583)	(91,478)	(17,827)	(1,567,221)
11,097	-	-	-	-	73,857
<u>68,506</u>	<u>-</u>	<u>77,053</u>	<u>22,286</u>	<u>-</u>	<u>-</u>
<u>10,301</u>	<u>1,972</u>	<u>-</u>	<u>-</u>	<u>67,694</u>	<u>83,028</u>
<u>(10,301)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1</u>
<u>-</u>	<u>1,972</u>	<u>-</u>	<u>-</u>	<u>67,694</u>	<u>83,029</u>
Less: Activity Funds Per Schedule of Changes in Assets and Liabilities- Agency Fund:					<u>(5,027)</u>
					<u>\$ 78,002</u>
<u>25,127</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>113,315</u>
<u>25,127</u>	<u>1,972</u>	<u>-</u>	<u>-</u>	<u>67,694</u>	<u>196,344</u>
Balance Sheets - Governmental Funds:					<u>\$ 196,344</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Aeronautics, Mathematics, and Sciences
Statement of Net Position
June 30, 2015
(Unaudited)

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 1,197,532
Receivables	
Due from Other Governments	15,479
Total Current Assets	<u>1,213,011</u>

Noncurrent Assets:

Capital Assets	
Furniture, Fixtures, and Equipment	286,257
Less: Accumulated Depreciation	<u>(78,070)</u>
Total Noncurrent Assets	<u>208,187</u>

Total Assets	<u>1,421,198</u>
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DEFERRED OUTFLOWS - Pension related	<u>192,902</u>
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LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accounts Payable	84,118
Accrued Liabilities	29,471
Current Portion of Long-Term Debt	<u>115,020</u>
Total Current Liabilities	<u>228,609</u>

Noncurrent Liabilities:

Long-term debt	87,110
Net pension liability	<u>1,465,793</u>
Total Noncurrent Liabilities	<u>1,552,903</u>

Total Liabilities	<u>1,781,512</u>
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DEFERRED INFLOWS - Pension related	<u>155,101</u>
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NET POSITION

Net Investment in Capital Assets	6,057
Restricted	347,789
Unrestricted (Deficit)	<u>(676,359)</u>
Total Net Position	<u>\$ (322,513)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Aeronautics, Mathematics, and Sciences
Statement of Activities
For The Year Ended June 30, 2015
(Unaudited)

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 986,397	16,554	286,955	-	(682,888)
Support Services:					
Students	109,933	-	-	-	(109,933)
Instruction	126,440	-	-	-	(126,440)
General Administration	119,755	-	-	-	(119,755)
School Administration	244,659	-	-	-	(244,659)
Central Services	133,336	-	-	-	(133,336)
Operation & Maintenance of Plant	223,629	-	-	-	(223,629)
Other Support Services	36	-	-	-	(36)
Student Transportation	90,000	-	-	-	(90,000)
Facilities Materials, Supplies & Other Services	266,544	-	-	149,100	(117,444)
Total Governmental Activities	\$ 2,300,729	16,554	286,955	149,100	(1,848,120)
General Revenues:					
Property Taxes					\$ 81,320
State Equalization Guarantee					2,182,671
Miscellaneous					14,492
Total General Revenues					<u>2,278,483</u>
Change in Net Position					430,363
Net Position- Beginning					<u>647,890</u>
Restatement					<u>(1,400,766)</u>
Net position - beginning, restated					<u>(752,876)</u>
Net position, Ending					<u>\$ (322,513)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Aeronautics, Mathematics, and Sciences
Balance Sheets - Governmental Funds
June 30, 2015
(Unaudited)

	Operational 11000	Pupil Transportation 13000	Instructional Materials 14000	Title I IASA 24101
ASSETS				
Cash and Cash Equivalents	\$ 846,369	194,782	37,757	-
Accounts Receivable				
Due from Government	-	-	-	7,883
Due from Other Funds	128,655	-	-	-
Total Assets	\$ 975,024	194,782	37,757	7,883
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 74,026	-	-	-
Accrued Expenditures	28,770	-	-	394
Due to Other Funds	-	-	-	7,488
Total Liabilities	102,796	-	-	7,882
Fund Balances (Deficit)				
Fund Balance:				
Restricted for:				
Instruction	-	-	37,757	-
Student Transportation	-	194,782	-	-
Capital Improvements	-	-	-	-
Unassigned (Deficit)	872,228	-	-	1
Total Fund Balance (Deficit)	872,228	194,782	37,757	1
Total Liabilities and Fund Balances (Deficit)	\$ 975,024	194,782	37,757	7,883

The accompanying notes are an integral part of these financial statements

IDEA-B Entitlement 24106	IDEA-B Risk Pool 24120	Charter Schools 24146	ABC Community School Partnership 26177	TQM in Public Schools PED 27103
-	-	4,588	-	-
6,382	-	-	-	-
-	-	-	-	-
6,382	-	4,588	-	-
-	-	-	-	-
307	-	-	-	-
6,075	-	-	-	-
6,382	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	4,588	-	-
-	-	4,588	-	-
6,382	-	4,588	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Aeronautics, Mathematics, and Sciences
Balance Sheets - Governmental Funds (Continued)
June 30, 2015
(Unaudited)

	Public School Capital Outlay 31200	Special Capital Outlay State 31400	Capital Improvements SB-9 31700	Total Government
ASSETS				
Cash and Cash Equivalents	\$ -	-	114,036	1,197,532
Accounts Receivable				
Due from Government	-	-	1,214	15,479
Due from Other Funds	-	-	-	128,655
Total Assets	\$ -	-	115,250	1,341,666
LIABILITIES AND FUND BALANCES				
Liabilities:			-	
Accounts Payable	\$ -	10,092	-	84,118
Accrued Expenditures	-	-	-	29,471
Due to Other Funds	81,577	33,515	-	128,655
Total Liabilities	81,577	43,607	-	242,244
Fund Balances (Deficit)				
Fund Balance:				
Restricted for:				
Instruction	-	-	-	37,757
Student Transportation	-	-	-	194,782
Capital Improvements	-	-	115,250	115,250
Unassigned (Deficit)	(81,577)	(43,607)	-	751,633
Total Fund Balance (Deficit)	(81,577)	(43,607)	115,250	1,099,422
Total Liabilities and Fund Balances (Deficit)	\$ -	-	115,250	1,341,666

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Aeronautics, Mathematics, and Sciences
Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
June 30, 2015
(Unaudited)

Fund Balances - Total Governmental Funds **\$ 1,099,422**

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

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

Capital Assets	286,257	
Accumulated Depreciation	<u>(78,070)</u>	
		208,187

Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds.

192,902

Long-term liabilities are not due in the current period and, therefore, are not reported in the funds.

Long-Term Debt	(202,130)	
Net pension liability	<u>(1,465,793)</u>	
		(1,667,923)

Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds.

(155,101)

Net Position-Total Governmental Activities **\$ (322,513)**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Aeronautics, Mathematics, and Sciences
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit)
Governmental Funds
For The Year Ended June 30, 2015
(Unaudited)

	Operational 11000	Pupil Transportation 13000	Instructional Materials 14000	Title I IASA 24101
REVENUES				
Property Taxes	\$ -	-	-	-
State Grant	2,182,671	183,272	20,276	-
Federal Grant	-	-	-	42,627
Charges for Services	16,554	-	-	-
Miscellaneous Income	5,742	-	-	-
Total Revenues	<u>2,204,967</u>	<u>183,272</u>	<u>20,276</u>	<u>42,627</u>
EXPENDITURES				
Current:				
Instruction	934,703	-	2,275	18,918
Support Services:				
Students	102,562	-	-	4,144
Instruction	123,614	-	-	-
General Administration	118,053	-	-	-
School Administration	238,783	-	-	-
Central Services	132,287	-	-	-
Operation & Maintenance of Plant	223,629	-	-	-
Student Transportation	-	90,000	-	-
Other Support Services Operations	36	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>1,873,667</u>	<u>90,000</u>	<u>2,275</u>	<u>23,062</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>331,300</u>	<u>93,272</u>	<u>18,001</u>	<u>19,565</u>
Net Changes in Fund Balances	<u>331,300</u>	<u>93,272</u>	<u>18,001</u>	<u>19,565</u>
Fund Balances(Deficit) - Beginning of Year	<u>540,928</u>	<u>101,510</u>	<u>19,756</u>	<u>(19,564)</u>
Fund Balances (Deficit) - End of Year	<u>\$ 872,228</u>	<u>194,782</u>	<u>37,757</u>	<u>1</u>

The accompanying notes are an integral part of these financial statements

IDEA-B Entitlement 24106	IDEA-B Risk Pool 24120	Charter Schools 24146	ABC Community School Partnership 26177	TQM in Public Schools PED 27103
-	-	-	-	-
-	-	-	-	1,234
31,521	292	7,733	-	-
-	-	-	-	-
-	-	-	8,750	-
<u>31,521</u>	<u>292</u>	<u>7,733</u>	<u>8,750</u>	<u>1,234</u>
15,314	-	-	-	1,138
703	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>16,017</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,138</u>
<u>15,504</u>	<u>292</u>	<u>7,733</u>	<u>8,750</u>	<u>96</u>
<u>15,504</u>	<u>292</u>	<u>7,733</u>	<u>8,750</u>	<u>96</u>
<u>(15,504)</u>	<u>(292)</u>	<u>(3,145)</u>	<u>(8,750)</u>	<u>(96)</u>
<u>-</u>	<u>-</u>	<u>4,588</u>	<u>-</u>	<u>-</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Aeronautics, Mathematics, and Sciences
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit) - Continued
Governmental Funds
For The Year Ended June 30, 2015
(Unaudited)

	Public School Capital Outlay 31200	Special Capital Outlay State 31400	Capital Improvements SB-9 31700	Total Government
REVENUES				
Property Taxes	\$ -	-	81,320	81,320
State Grant	149,100	-	-	2,536,553
Federal Grant	-	-	-	82,173
Charges for Services	-	-	-	16,554
Miscellaneous Income	-	-	-	14,492
Total Revenues	<u>149,100</u>	<u>-</u>	<u>81,320</u>	<u>2,731,092</u>
EXPENDITURES				
Current:				
Instruction	-	-	-	972,348
Support Services:				
Students	-	-	-	107,409
Instruction	-	-	-	123,614
General Administration	-	-	800	118,853
School Administration	-	-	-	238,783
Central Services	-	-	-	132,287
Operation & Maintenance of Plant	-	-	-	223,629
Student Transportation	-	-	-	90,000
Other Support Services Operations	-	-	-	36
Capital Outlay	180,176	43,607	42,761	266,544
Total Expenditures	<u>180,176</u>	<u>43,607</u>	<u>43,561</u>	<u>2,273,503</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(31,076)</u>	<u>(43,607)</u>	<u>37,759</u>	<u>457,589</u>
Net Changes in Fund Balances	<u>(31,076)</u>	<u>(43,607)</u>	<u>37,759</u>	<u>457,589</u>
Fund Balances(Deficit) - Beginning of Year	<u>(50,501)</u>	<u>-</u>	<u>77,491</u>	<u>641,833</u>
Fund Balances (Deficit) - End of Year	<u>\$ (81,577)</u>	<u>(43,607)</u>	<u>115,250</u>	<u>1,099,422</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Aeronautics, Mathematics, and Sciences
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances (Deficit) of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2015
(Unaudited)

Net Change in Fund Balances-Total Governmental Funds **\$ 457,589**

The issuance of long-term debt (e.g., bonds, notes, leases) provide current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.

Changes in Net Pension Liability (27,226)

Change in Net Position-Total Governmental Activities **\$ 430,363**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Southwest Aeronautics, Mathematics, and Sciences
 Statement of Fiduciary Assets and Liabilities- Agency Funds
 June 30, 2015
 (Unaudited)

	<u>Agency</u>
ASSETS	
Cash in Bank	\$ 1,693
Total Assets	<u>\$ 1,693</u>
 LIABILITIES	
Deposits Held for Others	\$ 1,693
Total Liabilities	<u>\$ 1,693</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Aeronautics, Mathematics, and Sciences
Schedule of Changes in Assets and Liabilities - Agency Funds
For The Year Ended June 30, 2015
(Unaudited)

	<u>Balance</u> <u>July 1, 2014</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2015</u>
ASSETS				
Cash in Bank	\$ -	5,462	(3,769)	1,693
Total Assets	<u>\$ -</u>	<u>5,462</u>	<u>(3,769)</u>	<u>1,693</u>
LIABILITIES				
Deposits Held for Others	\$ -	5,462	(3,769)	1,693
Total Liabilities	<u>\$ -</u>	<u>5,462</u>	<u>(3,769)</u>	<u>1,693</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Aeronautics, Mathematics, and Sciences
Notes to the Financial Statements
June 30, 2015
(Unaudited)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Capital Assets. Capital assets purchased or acquired are 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 Southwest Aeronautics, Mathematics, and Sciences capitalization policy (i.e., the dollar value above which the asset acquisitions are added to the capital accounts) is \$5,000. The Southwest Aeronautics, Mathematics, and Sciences does not capitalize any interest with regard to its capital assets.

Depreciation on all assets is provided on the straight-line basis over the estimated useful lives with no salvage value.

Capital assets for the Southwest Aeronautics, Mathematics, and Sciences are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB’s Fiduciary Net Position have been determined on the economic resources measurement focus and accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 2. CAPITAL ASSETS

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

	Balance			Balance
	<u>June 30, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2015</u>
<i>Capital Assets being Depreciated:</i>				
Furniture, Fixtures and Equipment	\$ 286,257	-	-	286,257
<i>Total</i>	<u>286,257</u>	<u>-</u>	<u>-</u>	<u>286,257</u>
<i>Less: Accumulated Depreciation</i>				
Furniture, fixtures and equipment	(78,070)	-	-	(78,070)
<i>Total</i>	<u>(78,070)</u>	<u>-</u>	<u>-</u>	<u>(78,070)</u>
Capital Assets, Net	<u>\$ 208,187</u>	<u>-</u>	<u>-</u>	<u>208,187</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Aeronautics, Mathematics, and Sciences
Notes to the Financial Statements
June 30, 2015
(Unaudited)

NOTE 3. COMMITMENTS AND LIABILITIES

The Southwest Aeronautics, Mathematics, and Sciences leased equipment and facilities under short-term cancelable operating leases. The Southwest Aeronautics, Mathematics, and Sciences minimum future payments on this lease are as follows:

Year Ending June 30:	
2016	\$ 251,217
2017	<u>249,510</u>
Total	\$ <u>500,727</u>

During 2013, the Southwest Aeronautics, Mathematics, and Sciences entered into a capital lease for computer equipment. The Southwest Aeronautics, Mathematics, and Sciences had a bargain purchase option to purchase the equipment at the end of the lease for \$1.00 or return the products for a disposal fee.

The following is an analysis of the leased property under capital leases by major classes.

Classes of Property	Asset Balances
Equipment	\$ 286,257
Less: Accumulated amortization	<u>(78,070)</u>
	\$ <u>208,187</u>

The following schedule by years of future minimum lease payments under capital leases together with the present value of the net minimum lease payments as of June 30, 2015.

Year Ending June 30:	
2014 (a)	\$ 115,020
2015 (a)	<u>87,110</u>
Total Minimum Lease Payments (a)	\$ <u>202,130</u>

(a) Reflected on the Statement of Net Position as current and noncurrent obligations under capital leases of \$115,020 and \$87,110, respectively. Balances have remained from prior year reported as sufficient audit evidence could not be obtained to support activity for the fiscal year ended June 30, 2015.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Aeronautics, Mathematics, and Sciences
Notes to the Financial Statements
June 30, 2015
(Unaudited)

NOTE 4. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to the Southwest Aeronautics, Mathematics, and Sciences (SAMS) and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions. The contribution requirements of defined benefit plan members and SAMS are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year ended June 30, 2014 employers contributed 13.15% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.10% of their gross annual salary. For fiscal year ended June 30, 2015 employers contributed 13.90%, and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 contributed an increased amount of 10.70% of their gross annual salary. Contributions to the pension plan from SAMS were \$104,853 for the year ended June 30, 2015.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2013. The total ERB pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2014, using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date June 30, 2014. At June 30, 2015, SAMS reported a liability of \$1,465,793 for its proportionate share of the net pension liability. SAMS's proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2014. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2014, SAMS's proportion was 0.02569% percent, which was a decrease of 0.00049% from its proportion measured as of June 30, 2013.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Aeronautics, Mathematics, and Sciences
Notes to the Financial Statements
June 30, 2015
(Unaudited)

NOTE 4. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

For the year ended June 30, 2015, SAMS recognized pension expense of \$132,079. At the June 30, 2015, SAMS reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	21,838
Changes in assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	133,263
Changes in proportion and differences between SAMS contributions and proportionate share of contributions	88,049	-
SAMS contributions subsequent to the measurement date	<u>104,853</u>	<u>-</u>
Total	<u>\$ 192,902</u>	<u>155,101</u>

\$104,853 reported as deferred outflows of resources related to pensions resulting from SAMS's contributions subsequent to the measurement date June 30, 2014 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2016	\$ 10,320
2017	10,320
2018	13,079
2019	<u>33,333</u>
Total	<u>\$ 67,052</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Aeronautics, Mathematics, and Sciences
Notes to the Financial Statements
June 30, 2015
(Unaudited)

NOTE 4. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

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

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
SAMS’s proportionate share of the net pension liability	<u>\$ 1,994,383</u>	<u>1,465,793</u>	<u>1,024,398</u>

NOTE 5. DEFICIT FUND BALANCE

The following funds had a deficit fund balance at June 30, 2015:

Public School Capital Outlay – 31200	\$ 81,577
Special Capital Outlay State – 31400	43,607

The Southwest Aeronautics, Mathematics, and Sciences is addressing the negative fund balance and is planning on taking the appropriate actions to eliminate the negative balance.

NOTE 6. RELATED PARTY TRANSACTIONS

The Southwest Aeronautics, Mathematics, and Sciences entered into a contract beginning July 1, 2012 with a company owned by the Head Administrator for the rental of an airplane. The contract with the Head Administrator may have been in effect at the beginning of the 2015; fiscal year. However, due to the ongoing investigation by the Federal Bureau of Investigation (FBI) most of the documents and contracts entered into by the School have been seized and therefore unable to be audited. Through our procedures performed, we were unable to determine if this contract was still in effect for the 2015 fiscal year. The amount paid to this related party in fiscal year 2013 was \$99,000.

The same administration operates all four schools: Southwest Secondary, Intermediate, Primary Learning Centers and Southwest Aeronautics, Mathematics, and Sciences.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Aeronautics, Mathematics, and Sciences
Notes to the Financial Statements
June 30, 2015
(Unaudited)

NOTE 7. RESTATEMENT

As a result of implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, net position at June 30, 2014 was restated in the amount of \$(1,400,766).

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Aeronautics Mathematics & Sciences
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2015**

**New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)**

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.03%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 1,466	-	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 708	-	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	207.06%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30, 2014

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Aeronautics Mathematics & Sciences
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2015

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 93	-	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	93	-	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ -	-	-	-	-	-	-	-	-	-

Year	Total Amount Deferred	Amortization Years	Increase (Decrease) in Pension Expense over Recognition Periods											
			2015	2016	2017	2018	2019	2020	2021	2022	2023	2024		
2014	\$ 67	5	\$ 10	10	10	13	34	-	-	-	-	-	-	-
2015	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2016	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2017	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2018	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2019	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2020	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2021	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2022	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2023	-	5	-	-	-	-	-	-	-	-	-	-	-	-
	\$ 67		\$ 10	10	10	13	34	-	-	-	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Aeronautics, Mathematics, and Sciences
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2015
(Unaudited)

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Property Taxes	\$ -	-	-	-
State Grant	2,088,446	2,182,670	2,182,671	1
Charges for Services	7,500	7,500	16,554	9,054
Miscellaneous Income	1,500	1,500	5,742	4,242
Total Revenues	<u>2,097,446</u>	<u>2,191,670</u>	<u>2,204,967</u>	<u>13,297</u>
EXPENDITURES				
Current:				
Instruction	1,402,651	1,414,651	1,037,407	377,244
Support Services:				
Students	552,434	243,223	102,562	140,661
Instruction	-	132,600	123,614	8,986
General Administration	108,634	160,634	118,053	42,581
School Administration	97,669	275,180	238,783	36,397
Central Services	127,080	172,280	132,287	39,993
Operation & Maintenance of Plant	294,600	278,624	223,629	54,995
Other Support Services Operations	-	100	36	64
Total Expenditures	<u>2,583,068</u>	<u>2,677,292</u>	<u>1,976,371</u>	<u>700,921</u>
<i>Excess (Deficiency) of Revenues</i>				
<i> Over (Under) Expenditures</i>	<u>(485,622)</u>	<u>(485,622)</u>	<u>228,596</u>	<u>714,218</u>
Net Changes in Fund Balances	<u>(485,622)</u>	<u>(485,622)</u>	<u>228,596</u>	<u>714,218</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>443,177</u>	<u>443,177</u>
Cash or Fund Balances - End of Year	<u>\$ (485,622)</u>	<u>(485,622)</u>	<u>671,773</u>	<u>1,157,395</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i> Over (Under) Expenditures</i>			\$ 228,596	
Adjustments to Revenues			-	
Adjustments to Expenditures			<u>102,704</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 331,300</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Aeronautics, Mathematics, and Sciences
Schedule of Budgetary Comparisons - Budgetary Basis
Pupil Transportation 13000
For The Year Ended June 30, 2015
(Unaudited)

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 178,407	183,272	183,272	-
Total Revenues	<u>178,407</u>	<u>183,272</u>	<u>183,272</u>	<u>-</u>
EXPENDITURES				
Current:				
Support Services:				
Student Transportation	178,407	183,272	90,000	93,272
Total Expenditures	<u>178,407</u>	<u>183,272</u>	<u>90,000</u>	<u>93,272</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	93,272	93,272
Net Changes in Fund Balances	-	-	93,272	93,272
Cash or Fund Balances - Beginning of Year	-	-	101,510	101,510
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>194,782</u>	<u>194,782</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 93,272	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 93,272</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Aeronautics, Mathematics, and Sciences
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2015
(Unaudited)

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 13,856	13,856	20,276	6,420
Total Revenues	<u>13,856</u>	<u>13,856</u>	<u>20,276</u>	<u>6,420</u>
EXPENDITURES				
Current:				
Instruction	25,623	25,623	2,275	23,348
Total Expenditures	<u>25,623</u>	<u>25,623</u>	<u>2,275</u>	<u>23,348</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(11,767)</u>	<u>(11,767)</u>	<u>18,001</u>	<u>29,768</u>
Net Changes in Fund Balances	<u>(11,767)</u>	<u>(11,767)</u>	<u>18,001</u>	<u>29,768</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>19,756</u>	<u>19,756</u>
Cash or Fund Balances - End of Year	<u>\$ (11,767)</u>	<u>(11,767)</u>	<u>37,757</u>	<u>49,524</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 18,001	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 18,001</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Aeronautics, Mathematics, and Sciences
Schedule of Budgetary Comparisons - Budgetary Basis
Title I IASA 24101
For The Year Ended June 30, 2015
(Unaudited)

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 37,186	74,740	50,510	(24,230)
Total Revenues	<u>37,186</u>	<u>74,740</u>	<u>50,510</u>	<u>(24,230)</u>
EXPENDITURES				
Current:				
Instruction	37,186	70,460	19,308	51,152
Support Services:				
Students	-	4,280	4,144	136
Total Expenditures	<u>37,186</u>	<u>74,740</u>	<u>23,452</u>	<u>51,288</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	27,058	27,058
Net Changes in Fund Balances	-	-	27,058	27,058
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>27,058</u>	<u>27,058</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 27,058	
Adjustments to Revenues			(7,883)	
Adjustments to Expenditures			390	
NET CHANGE IN FUND BALANCE			<u>\$ 19,565</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Southwest Aeronautics, Mathematics, and Sciences
 Schedule of Budgetary Comparisons - Budgetary Basis
 IDEA-B Entitlement 24106
 For The Year Ended June 30, 2015
 (Unaudited)

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 40,981	58,085	37,903	(20,182)
Total Revenues	<u>40,981</u>	<u>58,085</u>	<u>37,903</u>	<u>(20,182)</u>
EXPENDITURES				
Current:				
Instruction	39,349	39,349	15,615	23,734
Support Services:				
Students	1,632	18,736	703	18,033
Total Expenditures	<u>40,981</u>	<u>58,085</u>	<u>16,318</u>	<u>41,767</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>21,585</u>	<u>21,585</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>21,585</u>	<u>21,585</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>21,585</u>	<u>21,585</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 21,585	
Adjustments to Revenues			(6,382)	
Adjustments to Expenditures			301	
NET CHANGE IN FUND BALANCE			<u>\$ 15,504</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Southwest Aeronautics, Mathematics, and Sciences
 Schedule of Budgetary Comparisons - Budgetary Basis
 IDEA-B Risk Pool 24120
 For The Year Ended June 30, 2015
 (Unaudited)

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ -	59	292	233
Total Revenues	<u>-</u>	<u>59</u>	<u>292</u>	<u>233</u>
EXPENDITURES				
Current:				
Instruction	-	59	-	59
Total Expenditures	<u>-</u>	<u>59</u>	<u>-</u>	<u>59</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>292</u>	<u>292</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>292</u>	<u>292</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>292</u>	<u>292</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 292	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 292</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Aeronautics, Mathematics, and Sciences
Schedule of Budgetary Comparisons - Budgetary Basis
Charter Schools 24146
For The Year Ended June 30, 2015
(Unaudited)

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ -	-	7,733	7,733
Total Revenues	<u>-</u>	<u>-</u>	<u>7,733</u>	<u>7,733</u>
EXPENDITURES				
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>7,733</u>	<u>7,733</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>7,733</u>	<u>7,733</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>7,733</u>	<u>7,733</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 7,733	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 7,733</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Aeronautics, Mathematics, and Sciences
Schedule of Budgetary Comparisons - Budgetary Basis
ABC Community School Partnership 26177
For The Year Ended June 30, 2015
(Unaudited)

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
	\$ -	8,750	8,750	-
<i>Total Revenues</i>	-	8,750	8,750	-
EXPENDITURES				
<i>Total Expenditures</i>	-	-	-	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	8,750	8,750	-
Net Changes in Fund Balances	-	8,750	8,750	-
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	8,750	8,750	-
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 8,750	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 8,750</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Southwest Aeronautics, Mathematics, and Sciences
 Schedule of Budgetary Comparisons - Budgetary Basis
 TQM in Public Schools PED 27103
 For The Year Ended June 30, 2015
 (Unaudited)

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	-	1,234	1,234
Total Revenues	<u>-</u>	<u>-</u>	<u>1,234</u>	<u>1,234</u>
EXPENDITURES				
Current:				
Instruction	-	1,138	1,138	-
Total Expenditures	<u>-</u>	<u>1,138</u>	<u>1,138</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	(1,138)	96	1,234
Net Changes in Fund Balances	<u>-</u>	<u>(1,138)</u>	<u>96</u>	<u>1,234</u>
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>(1,138)</u>	<u>96</u>	<u>1,234</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 96	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 96</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Aeronautics, Mathematics, and Sciences
Schedule of Budgetary Comparisons - Budgetary Basis
Public School Capital Outlay 31200
For The Year Ended June 30, 2015
(Unaudited)

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	197,197	149,100	(48,097)
Total Revenues	<u>-</u>	<u>197,197</u>	<u>149,100</u>	<u>(48,097)</u>
EXPENDITURES				
Capital Outlay	-	197,197	180,176	17,021
Total Expenditures	<u>-</u>	<u>197,197</u>	<u>180,176</u>	<u>17,021</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(31,076)</u>	<u>(31,076)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(31,076)</u>	<u>(31,076)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>1</u>	<u>1</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(31,075)</u>	<u>(31,075)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (31,076)	
Adjustments to Revenues			-	
Adjustments to Expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ (31,076)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Aeronautics, Mathematics, and Sciences
Schedule of Budgetary Comparisons - Budgetary Basis
Special Capital Outlay State 31400
For The Year Ended June 30, 2015
(Unaudited)

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 1,193,717	193,717	-	(193,717)
Total Revenues	<u>1,193,717</u>	<u>193,717</u>	<u>-</u>	<u>(193,717)</u>
EXPENDITURES				
Capital Outlay	193,717	193,717	53,699	140,018
Total Expenditures	<u>193,717</u>	<u>193,717</u>	<u>53,699</u>	<u>140,018</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>1,000,000</u>	<u>-</u>	<u>(53,699)</u>	<u>(53,699)</u>
Net Changes in Fund Balances	<u>1,000,000</u>	<u>-</u>	<u>(53,699)</u>	<u>(53,699)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ 1,000,000</u>	<u>-</u>	<u>(53,699)</u>	<u>(53,699)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (53,699)	
Adjustments to Revenues			-	
Adjustments to Expenditures			<u>10,092</u>	
NET CHANGE IN FUND BALANCE			<u>\$ (43,607)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Aeronautics, Mathematics, and Sciences
Schedule of Budgetary Comparisons - Budgetary Basis
Capital Improvements SB-9 31700
For The Year Ended June 30, 2015
(Unaudited)

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Property Taxes	\$ 79,688	79,688	82,534	2,846
State Grant	6,340	6,340	-	(6,340)
Total Revenues	<u>86,028</u>	<u>86,028</u>	<u>82,534</u>	<u>(3,494)</u>
EXPENDITURES				
Current:				
Support Services:				
General Administration	-	800	800	-
Capital Outlay	168,046	167,246	42,761	124,485
Total Expenditures	<u>168,046</u>	<u>168,046</u>	<u>43,561</u>	<u>124,485</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(82,018)</u>	<u>(82,018)</u>	<u>38,973</u>	<u>120,991</u>
Net Changes in Fund Balances	<u>(82,018)</u>	<u>(82,018)</u>	<u>38,973</u>	<u>120,991</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>77,491</u>	<u>77,491</u>
Cash or Fund Balances - End of Year	<u>\$ (82,018)</u>	<u>(82,018)</u>	<u>116,464</u>	<u>198,482</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 38,973	
Adjustments to Revenues			(1,214)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 37,759</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Aeronautics, Mathematics, and Sciences
Schedule of Collateral Pledged by Depository for Public Funds
June 30, 2015
(Unaudited)

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2015</u>
N/A	N/A	N/A	N/A	\$ -
				\$ -
Total Cash per Schedule of Cash Accounts:				\$ 1,258,670
Less: FDIC coverage:				(250,000)
Uninsured Public Funds:				1,008,670
Collateral Requirement:				504,335
Pledged Collateral Held by Pledging Financial Institution:				-
Balance Under Collateralized:				\$ (504,335)
Balance Uninsured and Uncollateralized at June 30, 2015:				\$ 1,258,670

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Aeronautics, Mathematics, and Sciences
Schedule of Cash Accounts
June 30, 2015
(Unaudited)

<u>Bank Account Type</u>	<u>Nusenda Credit Union</u>
Checking - Operational Account	\$ 1,258,670
<i>Total on Deposit</i>	1,258,670
Reconciling Items	<u>(59,445)</u>
Reconciled Balance June 30, 2015	<u>1,199,225</u>
Less Agency Funds	<u>(1,693)</u>
<i>Total Cash</i>	\$ 1,197,532

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Aeronautics, Mathematics, and Sciences
Cash Reconciliation
June 30, 2015
(Unaudited)

	Operational 11000	Pupil Transportation 13000	Instructional Materials 14000	Non-Instruct. Fund 23000
Cash, June 30, 2014	\$ 540,932	101,510	19,756	-
Add:				
2014-15 revenues	<u>2,204,967</u>	<u>183,272</u>	<u>20,276</u>	<u>5,462</u>
Total Cash Available	2,745,899	284,782	40,032	5,462
Less:				
2014-15 expenditures	(1,770,875)	(90,000)	(2,275)	(3,769)
Receivables/Payables	-	-	-	-
Outstanding Loans	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash June 30, 2015	<u>975,024</u>	<u>194,782</u>	<u>37,757</u>	<u>1,693</u>
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	(128,655)	-	-	-
Cash Per Books	<u>846,369</u>	<u>194,782</u>	<u>37,757</u>	<u>1,693</u>
Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	25,859	-	-	(1,693)
Fund Balance (Deficit), Modified Accrual Basis	<u>\$ 872,228</u>	<u>194,782</u>	<u>37,757</u>	<u>-</u>

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

Federal Projects Account 24000	State Account 27000	Public School Capital Outlay 31200	Special Capital Outlay - State 31400	SB-9 Capital Improvements 31700	Total
(38,506)	(96)	1	-	77,491	701,088
<u>67,908</u>	<u>1,234</u>	<u>149,100</u>	<u>-</u>	<u>80,106</u>	<u>2,712,325</u>
29,402	1,138	149,101	-	157,597	3,413,413
(38,377)	(1,138)	(180,176)	(33,515)	(43,561)	(2,163,686)
-	-	(50,502)	-	-	(50,502)
-	-	-	-	-	-
<u>(8,975)</u>	<u>-</u>	<u>(81,577)</u>	<u>(33,515)</u>	<u>114,036</u>	<u>1,199,225</u>
<u>13,563</u>	<u>-</u>	<u>81,577</u>	<u>33,515</u>	<u>-</u>	<u>-</u>
<u>4,588</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>114,036</u>	<u>1,199,225</u>
Less: Activity Funds Per Schedule of Changes in Assets and Liabilities- Agency Fund:					<u>(1,693)</u>
					<u>\$ 1,197,532</u>
<u>1</u>	<u>-</u>	<u>(81,577)</u>	<u>(43,607)</u>	<u>1,214</u>	<u>(99,803)</u>
<u>4,589</u>	<u>-</u>	<u>(81,577)</u>	<u>(43,607)</u>	<u>115,250</u>	<u>1,099,422</u>
Balance Sheets - Governmental Funds:					<u>\$ 1,099,422</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Intermediate Learning Center
Statement of Net Position
June 30, 2015
(Unaudited)

ASSETS

Current Assets:

Cash and Cash Equivalents	\$ 782,735
Receivables	
Due from Other Governments	24,362
Total Current Assets	<u>807,097</u>

Noncurrent Assets:

Capital Assets	
Building and Improvements	14,151
Furniture, Fixtures, and Equipment	155,776
Less: Accumulated Depreciation	(157,863)
Total Noncurrent Assets	<u>12,064</u>

Total Assets	<u>819,161</u>
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Deferred outflows - pension related	<u>156,298</u>
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LIABILITIES

Current Liabilities:

Accounts Payable	47,325
Accrued Liabilities	17,929
Compensated Absences	15,410
Total Current Liabilities	<u>80,664</u>

Noncurrent Liabilities:

Net Pension Liability	944,861
Total Noncurrent Liabilities	<u>944,861</u>

Total Liabilities	<u>1,025,525</u>
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Deferred inflows - pension related	<u>99,984</u>
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NET POSITION

Investment in Capital Assets	12,064
Restricted	368,913
Unrestricted	(531,027)
Total Net Position	<u>\$ (150,050)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Intermediate Learning Center
Statement of Activities
For The Year Ended June 30, 2015
(Unaudited)

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 431,713	6,597	46,721	-	(378,395)
Support Services:					
Students	38,323	-	-	-	(38,323)
Instruction	86,024	-	-	-	(86,024)
General Administration	149,002	-	-	-	(149,002)
School Administration	44,239	-	-	-	(44,239)
Central Services	89,971	-	-	-	(89,971)
Operation & Maintenance of Plant	60,876	-	-	-	(60,876)
Community Services Operations	4,268	-	-	-	(4,268)
Other Support Services	21	-	-	-	(21)
Facilities Materials, Supplies & Other Services	123,024	-	-	262,689	139,665
Total Governmental Activities	\$ 1,027,461	6,597	46,721	262,689	(711,454)

General Revenues:

Property Taxes	\$ 99,178
State Equalization Guarantee	936,928
Miscellaneous	3,919
Total General Revenues	1,040,025

Change in Net Position

	328,571
Net Position- Beginning	364,601
Resatement	(843,222)
Net Position- Beginning, restated	(478,621)
Net position, Ending	\$ (150,050)

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Intermediate Learning Center
Balance Sheets - Governmental Funds
June 30, 2015
(Unaudited)

	Operational 11000	Instructional Materials 14000	Title I IASA 24101	IDEA-B Entitlement 24106
ASSETS				
Cash and Cash Equivalents	\$ 396,367	9,764	-	-
Accounts Receivable				
Due from Governments	-	-	1,178	1,423
Due from Other Funds	61,713	-	-	-
Total Assets	\$ 458,080	9,764	1,178	1,423
LIABILITIES AND FUND BALANCES				
<i>Liabilities:</i>				
Accounts Payable	\$ 24,646	-	-	-
Accrued Expenditures	16,815	-	1,000	114
Due to Other Funds	-	-	180	1,238
Total Liabilities	41,461	-	1,180	1,352
Fund Balances (Deficit)				
Fund Balance:				
Restricted for:				
Instruction	-	9,764	-	71
Capital Improvements	-	-	-	-
Unassigned (Deficit)	416,619	-	(2)	-
Total Fund Balance (Deficit)	416,619	9,764	(2)	71
Total Liabilities and Fund Balances (Deficit)	\$ 458,080	9,764	1,178	1,423

The accompanying notes are an integral part of these financial statements

IDEA-B "Risk Pool" 24120	Teacher Principal Training 24154	Literacy for Children at Risk PED 27107	Public School Capital Outlay 31200	Special Capital Outlay State 31400	Capital Improvements HB-33 31600
-	-	-	-	-	313,893
-	-	-	20,626	-	1,135
-	-	-	-	-	-
-	-	-	20,626	-	315,028
-	-	-	-	4,018	-
-	-	-	-	-	-
-	1,202	-	42,825	16,268	-
-	1,202	-	42,825	20,286	-
-	-	-	-	-	-
-	-	-	-	-	315,028
-	(1,202)	-	(22,199)	(20,286)	-
-	(1,202)	-	(22,199)	(20,286)	315,028
-	-	-	20,626	-	315,028

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Intermediate Learning Center
Balance Sheets - Governmental Funds (Continued)
June 30, 2015
(Unaudited)

	SB-9 Capital Improvements 31700	Total
ASSETS		
Cash and Cash Equivalents	\$ 62,711	782,735
Accounts Receivable		
Due from Government	-	24,362
Due from Other Funds	-	61,713
Total Assets	\$ 62,711	868,810
LIABILITIES AND FUND BALANCES		
<i>Liabilities:</i>		
Accounts Payable	\$ 18,661	47,325
Accrued Expenditures	-	17,929
Due to Other Funds	-	61,713
Total Liabilities	18,661	126,967
<i>Fund Balances (Deficit)</i>		
Fund Balance:		
Restricted for:		
Instruction	-	9,835
Capital Improvements	44,050	359,078
Unassigned (Deficit)	-	372,930
Total Fund Balance (Deficit)	44,050	741,843
<i>Total Liabilities and Fund Balances (Deficit)</i>	\$ 62,711	868,810

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Intermediate Learning Center
Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
June 30, 2015
(Unaudited)

Fund Balances - Total Governmental Funds **\$ 741,843**

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

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

Capital Assets	169,927	
Accumulated Depreciation	(157,863)	
		12,064

Defined benefit pension plan deferred outflows are not financial resources and, therefore, and not reported in the funds		156,298
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Long-term liabilities are not due in the current period and, therefore, are not reported in the funds.

Compensated Absences	(15,410)	
Net Pension Liability	(944,861)	
		(960,271)

Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds		(99,984)

Net Position-Total Governmental Activities **\$ (150,050)**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Intermediate Learning Center
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit)
Governmental Funds
For The Year Ended June 30, 2015
(Unaudited)

	Operational 11000	Instructional Materials 14000	Title I IASA 24101	IDEA-B Entitlement 24106
REVENUES				
Property Taxes	\$ -	-	-	-
State Grant	936,928	7,755	-	-
Federal Grant	-	-	17,564	21,402
Charges for Services	6,597	-	-	-
Miscellaneous Income	3,919	-	-	-
Total Revenues	<u>947,444</u>	<u>7,755</u>	<u>17,564</u>	<u>21,402</u>
EXPENDITURES				
Current:				
Instruction	385,709	-	13,222	7,226
Support Services:				
Students	35,289	-	-	411
Instruction	79,459	-	-	-
General Administration	144,211	-	-	-
School Administration	40,919	-	-	-
Central Services	86,653	-	-	-
Operation & Maintenance of Plant	60,876	-	-	-
Other Support Services Operations	21	-	-	-
Community Services Operation	3,908	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>837,045</u>	<u>-</u>	<u>13,222</u>	<u>7,637</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>110,399</u>	<u>7,755</u>	<u>4,342</u>	<u>13,765</u>
Net Changes in Fund Balances	<u>110,399</u>	<u>7,755</u>	<u>4,342</u>	<u>13,765</u>
Fund Balances(Deficit) - Beginning of Year	<u>306,220</u>	<u>2,009</u>	<u>(4,344)</u>	<u>(13,694)</u>
Fund Balances (Deficit) - End of Year	<u>\$ 416,619</u>	<u>9,764</u>	<u>(2)</u>	<u>71</u>

The accompanying notes are an integral part of these financial statements

IDEA-B "Risk Pool" 24120	Teacher Principal Training 24154	Literacy for Children at Risk PED 27107	Public School Capital Outlay 31200	Special Capital Outlay State 31400	Capital Improvements HB-33 31600
-	-	-	-	-	66,760
-	-	-	82,689	180,000	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	82,689	180,000	66,760
-	235	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	651
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	84,077	20,286	-
-	235	-	84,077	20,286	651
-	(235)	-	(1,388)	159,714	66,109
-	(235)	-	(1,388)	159,714	66,109
-	(967)	-	(20,811)	(180,000)	248,919
-	(1,202)	-	(22,199)	(20,286)	315,028

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Intermediate Learning Center
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit) - Continued
Governmental Funds
For The Year Ended June 30, 2015
(Unaudited)

	SB-9 Capital Improvements 31700	Total
REVENUES		
Property Taxes	\$ 32,418	99,178
State Grant	-	1,207,372
Federal Grant	-	38,966
Charges for Services	-	6,597
Miscellaneous Income	-	3,919
Total Revenues	<u>32,418</u>	<u>1,356,032</u>
EXPENDITURES		
Current:		
Instruction	-	406,392
Support Services:		
Students	-	35,700
Instruction	-	79,459
General Administration	322	145,184
School Administration	-	40,919
Central Services	-	86,653
Operation & Maintenance of Plant	-	60,876
Other Support Services Operations	-	21
Community Services Operation	-	3,908
Capital Outlay	18,661	123,024
Total Expenditures	<u>18,983</u>	<u>982,136</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>13,435</u>	<u>373,896</u>
Net Changes in Fund Balances	<u>13,435</u>	<u>373,896</u>
Fund Balances(Deficit) - Beginning of Year	<u>30,615</u>	<u>367,947</u>
Fund Balances (Deficit) - End of Year	<u>\$ 44,050</u>	<u>741,843</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Intermediate Learning Center
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances (Deficit) of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2015
(Unaudited)

Net Change in Fund Balances-Total Governmental Funds \$ 373,896

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

Change in net pension liability (45,325)

Change in Net Position-Total Governmental Activities \$ 328,571

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Intermediate Learning Center
Statement of Fiduciary Assets and Liabilities - Agency Funds
June 30, 2015
(Unaudited)

	<u>Funds</u>
ASSETS	
Cash in Bank	<u>\$ 1,161</u>
Total Assets	<u><u>\$ 1,161</u></u>
 LIABILITIES	
Deposits Held for Others	<u>\$ 1,161</u>
Total Liabilities	<u><u>\$ 1,161</u></u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Intermediate Learning Center
Schedule of Changes in Assets and Liabilities - Agency Funds
For The Year Ended June 30, 2015
(Unaudited)

	<u>Balance</u> <u>July 1, 2014</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2015</u>
ASSETS				
Cash in Bank	\$ -	2,080	(919)	1,161
Total Assets	<u>\$ -</u>	<u>2,080</u>	<u>(919)</u>	<u>1,161</u>
LIABILITIES				
Deposits Held for Others	\$ -	2,080	(919)	1,161
Total Liabilities	<u>\$ -</u>	<u>2,080</u>	<u>(919)</u>	<u>1,161</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Southwest Intermediate Learning Center
 Notes to the Financial Statements
 June 30, 2015
 (Unaudited)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Capital Assets. Capital assets purchased or acquired are 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. SILC’s capitalization policy (i.e., the dollar value above which the asset acquisitions are added to the capital accounts) is \$5,000. Southwest Intermediate Learning Center (SILC) does not capitalize any interest with regard to its capital assets.

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

Furniture, Fixtures and Equipment	7 years
Buildings and Improvements	15 years

Capital assets for SILC are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB’s Fiduciary Net Position have been determined on the economic resources measurement focus and accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 2. RECEIVABLES

Receivables as of June 30, 2015 are as follows:

Due from Other Governments:		
Title I	\$	1,178
IDEA-B Entitlement		1,423
Public School Capital Outlay		20,626
Capital Improvements HB-33		<u>1,135</u>
Total Due from Other Governments	\$	<u><u>24,362</u></u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Intermediate Learning Center
Notes to the Financial Statements
June 30, 2015
(Unaudited)

NOTE 3. CAPITAL ASSETS

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

	<u>Balance</u> <u>June 30, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2015</u>
<i>Capital Assets being Depreciated:</i>				
Furniture, Fixtures and Equipment	\$ 155,776	-	-	155,776
Building and Improvements	14,151	-	-	14,151
<i>Total</i>	<u>169,927</u>	-	-	<u>169,927</u>
<i>Less: Accumulated Depreciation /</i>	<u>(157,863)</u>	-	-	<u>(157,863)</u>
Capital Assets, Net	<u>\$ 12,064</u>	-	-	<u>12,064</u>

NOTE 4. DEFICIT FUND BALANCE

The following funds had a deficit fund balance at June 30, 2015:

24101 Title I IASA	\$ 2
24154 Teacher / Principal Training	1,202
31200 Public School Capital Outlay	22,199
31400 Special Capital Outlay State	<u>20,286</u>
Total funds with deficit balances	<u>\$ 43,689</u>

SILC is addressing the negative fund balances and is planning on taking the appropriate actions to eliminate the negative balances.

NOTE 5. OVERSPENT BUDGET LINE ITEMS

Southwest Secondary Learning Center had expended in excess of the budget in the following funds and functional groups:

31200 Public Schools Capital Outlay	
Capital Outlay	<u>\$ 1,573</u>
Total over-expenditures	<u>\$ 1,573</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Intermediate Learning Center
Notes to the Financial Statements
June 30, 2015
(Unaudited)

NOTE 6. RELATED PARTY TRANSACTIONS

The Founder and Head Administrator of the Southwest Intermediate Learning Center that was employed thru August 2014 of the current fiscal year was related to the owners of ADI Productions, Inc. The Southwest Intermediate Learning Center utilizes the services of ADI for all school-sponsored events that require sound and lighting such as school dances, student performances, and graduation. ADI does not charge the Southwest Intermediate Learning Center for services it provides to Southwest Intermediate Learning Center.

The same administration operates all four schools: Southwest Secondary, Intermediate, Primary Learning Centers and Southwest Aeronautics, Mathematics, and Sciences Learning Center.

NOTE 7. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to Southwest Intermediate Learning Center and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions. The contribution requirements of defined benefit plan members and Southwest Intermediate Learning Center are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year ended June 30, 2014 employers contributed 13.15% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.10% of their gross annual salary. For fiscal year ended June 30, 2015 employers contributed 13.90%, and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 contributed an increased amount of 10.70% of their gross annual salary. Contributions to the pension plan from Southwest Intermediate Learning Center were \$55,203 for the year ended June 30, 2015.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Intermediate Learning Center
Notes to the Financial Statements
June 30, 2015
(Unaudited)

NOTE 7. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2013. The total ERB pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2014, using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date June 30, 2014. At June 30, 2015, Southwest Intermediate Learning Center reported a liability of \$944,861 for its proportionate share of the net pension liability. SILC's proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2014. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2014, SILC's proportion was 0.01656% percent, which was an increase of 0.00217% from its proportion measured as of June 30, 2013.

For the year ended June 30, 2015, Southwest Intermediate Learning Center recognized pension expense of \$100,528. At the June 30, 2015, Southwest Intermediate Learning Center reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	14,077
Changes in assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	85,907
Changes in proportion and differences between SILC's contributions and proportionate share of contributions	101,095	-
SILC's contributions subsequent to the measurement date	55,203	-
Total	<u>\$ 156,298</u>	<u>99,984</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Intermediate Learning Center
Notes to the Financial Statements
June 30, 2015
(Unaudited)

NOTE 7. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (Continued)

\$55,203 reported as deferred outflows of resources related to pensions resulting from SILC's contributions subsequent to the measurement date June 30, 2014 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2016	\$ (8,743)
2017	(8,743)
2018	(5,117)
2019	<u>21,492</u>
Total	<u>\$ (1,111)</u>

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

	<u>1% Decrease (6.75%)</u>	<u>Current Discount Rate (7.75%)</u>	<u>1% Increase (8.75%)</u>
SILC's proportionate share of the net pension liability	<u>\$ 1,285,594</u>	<u>944,861</u>	<u>660,370</u>

Payables to the pension plan. Southwest Intermediate Learning Center accrued \$7,641 in ERB benefits at June 30, 2015 for teachers with ten month contracts.

NOTE 8. RESTATEMENT

As a result of implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, Net Position at June 30, 2014 was restated in the amount of (\$843,222).

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
 Southwest Intermediate Learning Center
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2015

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.02%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 945	-	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 457	-	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	206.78%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30, 2014

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Southwest Intermediate Learning Center
 SCHEDULE OF SCHOOL CONTRIBUTIONS
 June 30, 2015

New Mexico Educational Retirement Board Pension Plan
 Schedule of Ten Year Tracking Data
 (Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 60	-	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	60	-	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ -	-	-	-	-	-	-	-	-	-

Increase (Decrease) in Pension Expense over Recognition Periods

Year	Total Amount Deferred	Amortization Years	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
2014	\$ (1)	5		\$ (9)	(9)	(5)	22	-	-	-	-	-
2015	-	5			-	-	-	-	-	-	-	-
2016	-	5				-	-	-	-	-	-	-
2017	-	5					-	-	-	-	-	-
2018	-	5						-	-	-	-	-
2019	-	5							-	-	-	-
2020	-	5								-	-	-
2021	-	5									-	-
2022	-	5										-
2023	-	5										
	\$ (1)			\$ (9)	(9)	(5)	22	-	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Intermediate Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2015
(Unaudited)

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 936,460	936,927	936,928	1
Federal Grant	2,491	2,491	-	(2,491)
Charges for Services	2,000	2,000	6,597	4,597
Miscellaneous Income	1,500	1,500	3,919	2,419
Total Revenues	942,451	942,918	947,444	4,526
EXPENDITURES				
Current:				
Instruction	631,905	627,105	385,709	241,396
Support Services:				
Students	208,831	54,214	35,289	18,925
Instruction	-	85,317	79,459	5,858
General Administration	133,004	176,504	119,565	56,939
School Administration	80,319	65,819	40,919	24,900
Central Services	74,506	121,106	86,653	34,453
Operation & Maintenance of Plant	91,657	85,574	60,876	24,698
Other Support Services Operations	-	50	21	29
Community Services Operations	-	5,000	3,908	1,092
Total Expenditures	1,220,222	1,220,689	812,399	408,290
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	<u>(277,771)</u>	<u>(277,771)</u>	135,045	412,816
Net Changes in Fund Balances	<u>(277,771)</u>	<u>(277,771)</u>	135,045	412,816
Cash or Fund Balances - Beginning of Year	-	-	306,220	306,220
Cash or Fund Balances - End of Year	<u>\$ (277,771)</u>	<u>(277,771)</u>	<u>441,265</u>	<u>719,036</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ 135,045	
Adjustments to Revenues			-	
Adjustments to Expenditures			(24,646)	
NET CHANGE IN FUND BALANCE			<u>\$ 110,399</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Intermediate Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2015
(Unaudited)

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 5,725	5,725	7,755	2,030
Total Revenues	<u>5,725</u>	<u>5,725</u>	<u>7,755</u>	<u>2,030</u>
EXPENDITURES				
Current:				
Instruction	5,725	5,725	-	5,725
Total Expenditures	<u>5,725</u>	<u>5,725</u>	<u>-</u>	<u>5,725</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>7,755</u>	<u>7,755</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>7,755</u>	<u>7,755</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>2,009</u>	<u>2,009</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>9,764</u>	<u>9,764</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ 7,755	
Adjustments to Revenues			-	
Adjustments to Expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 7,755</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Intermediate Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
Title I IASA 24101
For The Year Ended June 30, 2015
(Unaudited)

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 13,491	13,222	16,386	3,164
Total Revenues	<u>13,491</u>	<u>13,222</u>	<u>16,386</u>	<u>3,164</u>
EXPENDITURES				
Current:				
Instruction	13,491	13,222	13,222	-
Total Expenditures	<u>13,491</u>	<u>13,222</u>	<u>13,222</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	3,164	3,164
Net Changes in Fund Balances	-	-	3,164	3,164
Cash or Fund Balances - Beginning of Year	-	-	(4,344)	(4,344)
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(1,180)</u>	<u>(1,180)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 3,164	
Adjustments to Revenues			1,178	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 4,342</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Intermediate Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Entitlement 24106
For The Year Ended June 30, 2015
(Unaudited)

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 23,402	32,799	19,979	(12,820)
Total Revenues	<u>23,402</u>	<u>32,799</u>	<u>19,979</u>	<u>(12,820)</u>
EXPENDITURES				
Current:				
Instruction	12,166	14,316	7,226	7,090
Support Services:				
Students	11,236	18,483	411	18,072
Total Expenditures	<u>23,402</u>	<u>32,799</u>	<u>7,637</u>	<u>25,162</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	12,342	12,342
Net Changes in Fund Balances	-	-	12,342	12,342
Cash or Fund Balances - Beginning of Year	-	-	(13,694)	(13,694)
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(1,352)</u>	<u>(1,352)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 12,342	
Adjustments to Revenues			1,423	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 13,765</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Intermediate Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B "Risk Pool" 24120
For The Year Ended June 30, 2015
(Unaudited)

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ -	37	-	(37)
Total Revenues	<u>-</u>	<u>37</u>	<u>-</u>	<u>(37)</u>
EXPENDITURES				
Current:				
Instruction	-	37	-	37
Total Expenditures	<u>-</u>	<u>37</u>	<u>-</u>	<u>37</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Intermediate Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
Teacher / Principal Training 24154
For The Year Ended June 30, 2015
(Unaudited)

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 2,672	5,714	-	(5,714)
Total Revenues	<u>2,672</u>	<u>5,714</u>	<u>-</u>	<u>(5,714)</u>
EXPENDITURES				
Current:				
Instruction	2,672	5,714	235	5,479
Total Expenditures	<u>2,672</u>	<u>5,714</u>	<u>235</u>	<u>5,479</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(235)</u>	<u>(235)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(235)</u>	<u>(235)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>(967)</u>	<u>(967)</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(1,202)</u>	<u>(1,202)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (235)	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (235)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Intermediate Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
Literacy for Children at Risk PED 27107
For The Year Ended June 30, 2015
(Unaudited)

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 3,137	3,137	-	(3,137)
Total Revenues	<u>3,137</u>	<u>3,137</u>	<u>-</u>	<u>(3,137)</u>
EXPENDITURES				
Current:				
Support Services:				
Instruction	3,137	3,137	-	3,137
Total Expenditures	<u>3,137</u>	<u>3,137</u>	<u>-</u>	<u>3,137</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
Net Changes in Fund Balances	-	-	-	-
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Intermediate Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
Public School Capital Outlay 31200
For The Year Ended June 30, 2015
(Unaudited)

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	82,504	62,063	(20,441)
Total Revenues	<u>-</u>	<u>82,504</u>	<u>62,063</u>	<u>(20,441)</u>
EXPENDITURES				
Capital Outlay	-	82,504	84,077	(1,573)
Total Expenditures	<u>-</u>	<u>82,504</u>	<u>84,077</u>	<u>(1,573)</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(22,014)</u>	<u>(22,014)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(22,014)</u>	<u>(22,014)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>(20,811)</u>	<u>(20,811)</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(42,825)</u>	<u>(42,825)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (22,014)	
Adjustments to Revenues			20,626	
Adjustments to Expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ (1,388)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Intermediate Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
Special Capital Outlay State 31400
For The Year Ended June 30, 2015
(Unaudited)

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 296,000	296,000	180,000	(116,000)
Total Revenues	<u>296,000</u>	<u>296,000</u>	<u>180,000</u>	<u>(116,000)</u>
EXPENDITURES				
Capital Outlay	296,000	296,000	16,268	279,732
Total Expenditures	<u>296,000</u>	<u>296,000</u>	<u>16,268</u>	<u>279,732</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>163,732</u>	<u>163,732</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>163,732</u>	<u>163,732</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>(180,000)</u>	<u>(180,000)</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(16,268)</u>	<u>(16,268)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 163,732	
Adjustments to Revenues			-	
Adjustments to Expenditures			<u>(4,018)</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 159,714</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Intermediate Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
Capital Improvements HB-33 31600
For The Year Ended June 30, 2015
(Unaudited)

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Property Taxes	\$ -	64,864	65,625	761
Total Revenues	<u>-</u>	<u>64,864</u>	<u>65,625</u>	<u>761</u>
EXPENDITURES				
Current:				
Support Services:				
General Administration	-	651	651	-
Capital Outlay	-	64,213	-	64,213
Total Expenditures	<u>-</u>	<u>64,864</u>	<u>651</u>	<u>64,213</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>64,974</u>	<u>64,974</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>64,974</u>	<u>64,974</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>248,919</u>	<u>248,919</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>313,893</u>	<u>313,893</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 64,974	
Adjustments to Revenues			1,135	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 66,109</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Intermediate Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
Capital Improvements SB-9 31700
For The Year Ended June 30, 2015
(Unaudited)

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Property Taxes	\$ 32,465	32,465	32,418	(47)
State Grant	5,161	5,161	-	(5,161)
Total Revenues	37,626	37,626	32,418	(5,208)
EXPENDITURES				
Current:				
Support Services:				
General Administration	-	330	322	8
Capital Outlay	69,848	69,518	-	69,518
Total Expenditures	69,848	69,848	322	69,526
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<i>(32,222)</i>	<i>(32,222)</i>	<i>32,096</i>	<i>64,318</i>
Net Changes in Fund Balances	(32,222)	(32,222)	32,096	64,318
Cash or Fund Balances - Beginning of Year	-	-	30,615	30,615
Cash or Fund Balances - End of Year	\$ (32,222)	(32,222)	62,711	94,933
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 32,096	
Adjustments to Revenues			-	
Adjustments to Expenditures			(18,661)	
NET CHANGE IN FUND BALANCE			\$ 13,435	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Southwest Intermediate Learning Center
 Schedule of Collateral Pledged by Depository for Public Funds
 June 30, 2015
 (Unaudited)

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2015</u>
N/A	N/A	N/A	N/A	\$ -
				<u>\$ -</u>

Total Cash per Schedule of Cash Accounts:	\$	810,352
Less: FDIC coverage:		<u>(250,000)</u>
Uninsured Public Funds:		560,352
Collateral Requirement:		280,176
Pledged Collateral Held by Pledging Financial Institution:		<u>-</u>
Balance (Under) Collateralized:	\$	<u>(280,176)</u>
Balance Uninsured and Uncollateralized at June 30, 2015:	\$	<u>560,352</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Southwest Intermediate Learning Center
 Schedule of Cash Accounts
 June 30, 2015
 (Unaudited)

Bank Account Type	Nusenda Credit Union
Checking - Operational Account	\$ 809,122
Savings - Operational Account	1,230
<i>Total on Deposit</i>	810,352
Reconciling Items	(26,456)
Reconciled Balance June 30, 2015	783,896
Less Agency Funds	(1,161)
<i>Total Cash</i>	\$ 782,735

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Intermediate Learning Center
Cash Reconciliation
June 30, 2015
(Unaudited)

	Operational 11000	Instructional Materials 14000	Federal Flowthrough 24000
Cash, June 30, 2014	\$ 306,220	2,009	(19,005)
Add:			
2014-15 revenues	<u>947,444</u>	<u>7,755</u>	<u>36,365</u>
Total cash available	1,253,664	9,764	17,360
Less:			
2014-15 expenditures	(812,399)	-	(21,094)
Receivables/Payables	16,815	-	1,114
Prepaid Expenses	<u>-</u>	<u>-</u>	<u>-</u>
Cash June 30, 2015	<u>458,080</u>	<u>9,764</u>	<u>(2,620)</u>
Fund Balance Reconciliations to GAAP Basis:			
Audit reclassifications to cash	<u>(61,713)</u>	<u>-</u>	<u>2,620</u>
Cash per Books	<u>396,367</u>	<u>9,764</u>	<u>-</u>
Fund Balance (Deficit) Reconciliation to GAAP Basis:			
Modified Accrual Adjustments	<u>(41,461)</u>	<u>-</u>	<u>1,487</u>
Fund Balance (Deficit), Modified Accrual Basis	<u>\$ 416,619</u>	<u>9,764</u>	<u>(1,133)</u>

The accompanying notes are an integral part of these financial statements

State Flowthrough 27000	Public School Capital Outlay 31200	Special Capital Outlay State 31400	Capital Improvements HB-33 31600	Capital Improvements SB-9 31700	Total
-	(20,811)	(180,000)	248,919	30,615	367,947
-	62,063	180,000	65,625	32,418	1,331,670
-	41,252	-	314,544	63,033	1,699,617
-	(84,077)	(16,268)	(651)	(322)	(934,811)
-	-	-	-	-	17,929
-	-	-	-	-	-
-	(42,825)	(16,268)	313,893	62,711	782,735
-	42,825	16,268	-	-	-
-	-	-	313,893	62,711	782,735
-	20,626	(4,018)	1,135	(18,661)	(40,892)
-	(22,199)	(20,286)	315,028	44,050	741,843

STATE OF NEW MEXICO

PUBLIC EDUCATION DEPARTMENT

Financial Statements
June 30, 2015

VOLUME X



AXIOM

*Certified Public Accountants
and Business Advisors LLC*

**STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
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STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Southwest Primary Learning Center
 Statement of Net Position
 June 30, 2015
 (Unaudited)

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 642,459
Receivables	
Due from Other Governments	26,992
Total Current Assets	<u>669,451</u>

Noncurrent Assets:

Capital Assets	
Building and Improvements	16,336
Furniture, Fixtures, and Equipment	219,996
Less: Accumulated Depreciation	<u>(157,760)</u>
Total Noncurrent Assets	<u>78,572</u>
Total Assets	<u>748,023</u>

DEFERRED OUTFLOWS - Pension related	<u>59,480</u>
--	---------------

LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accrued Liabilities	16,861
Compensated Absences	15,363
Total Current Liabilities	<u>32,224</u>

Noncurrent Liabilities:

Net pension liability	<u>1,024,741</u>
Total Noncurrent Liabilities	<u>1,024,741</u>
Total Liabilities	<u>1,056,965</u>

DEFERRED INFLOWS - Pension related	<u>112,590</u>
---	----------------

NET POSITION

Investment in Capital Assets	78,572
Restricted	377,846
Unrestricted (Deficit)	<u>(818,470)</u>
Total Net Position	<u>\$ (362,052)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Primary Learning Center
Statement of Activities
For The Year Ended June 30, 2015
(Unaudited)

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 455,795	10,055	53,403	-	(392,337)
Support Services:					
Students	42,082	-	-	-	(42,082)
Instruction	45,561	-	-	-	(45,561)
General Administration	104,539	-	-	-	(104,539)
School Administration	33,471	-	-	-	(33,471)
Central Services	106,677	-	-	-	(106,677)
Operation & Maintenance of Plant	80,919	-	-	-	(80,919)
Community Services Operations	8,400	-	-	-	(8,400)
Other Support Services	21	-	-	-	(21)
Facilities Materials, Supplies & Other Services	77,695	-	-	117,695	40,000
Total Governmental Activities	\$ 955,160	10,055	53,403	117,695	(774,007)
General Revenues:					
					\$ 98,885
					875,461
					13,076
					<u>987,422</u>
Change in Net Position					<u>213,415</u>
					492,427
					(1,067,894)
					<u>(575,467)</u>
					<u>\$ (362,052)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Primary Learning Center
Balance Sheets - Governmental Funds
June 30, 2015
(Unaudited)

	Operational 11000	Instructional Materials 14000	Title I IASA 24101	IDEA-B Entitlement 24106
ASSETS				
Cash and Cash Equivalents	\$ 257,780	8,739	-	7,961
Accounts Receivable				
Due from Government	-	-	6,440	-
Due from Other Funds	45,990	-	-	-
Total Assets	\$ 303,770	8,739	6,440	7,961
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accrued Expenditures	\$ 16,573	-	284	4
Due to Other Funds	-	-	6,156	-
Total Liabilities	16,573	-	6,440	4
Fund Balances (Deficit)				
Fund Balance:				
Restricted for:				
Instruction	-	8,739	-	-
Capital Improvements	-	-	-	-
Unassigned (Deficit)	287,197	-	-	7,957
Total Fund Balance (Deficit)	287,197	8,739	-	7,957
Total Liabilities and Fund Balances (Deficit)	\$ 303,770	8,739	6,440	7,961

The accompanying notes are an integral part of these financial statements

Teacher Principal Traning 24154	ABC Community School Partnership 26177	Literacy for Children at Risk 27107	Public School Capital Outlay 31200	Special Capital Outlay State 31400	Capital Improvements HB-33 31600
-	-	-	-	-	308,335
-	-	-	19,424	-	1,128
-	-	-	-	-	-
-	-	-	19,424	-	309,463
-	-	-	-	-	-
-	-	987	38,847	-	-
-	-	987	38,847	-	-
-	-	-	-	-	-
-	-	-	-	-	309,463
-	-	(987)	(19,423)	-	-
-	-	(987)	(19,423)	-	309,463
-	-	-	19,424	-	309,463

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Southwest Primary Learning Center
 Balance Sheets - Governmental Funds (Continued)
 June 30, 2015
 (Unaudited)

	Capital Improvements	
	SB-9 31700	Total Government
	<u> </u>	<u> </u>
Cash and Cash Equivalents	\$ 59,644	642,459
Accounts Receivable		
Due from Government	-	26,992
Due from Other Funds	-	45,990
	<u> </u>	<u> </u>
Total Assets	<u>\$ 59,644</u>	<u>715,441</u>
Liabilities:		
Accrued Expenditures	\$ -	16,861
Due to Other Funds	-	45,990
	<u> </u>	<u> </u>
Total Liabilities	<u>-</u>	<u>62,851</u>
Fund Balances (Deficit)		
Fund Balance:		
Restricted for:		
Instruction	-	8,739
Capital Improvements	59,644	369,107
Unassigned (Deficit)	-	274,744
	<u> </u>	<u> </u>
Total Fund Balance (Deficit)	<u>59,644</u>	<u>652,590</u>
	<u>\$ 59,644</u>	<u>715,441</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Primary Learning Center
Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
June 30, 2015
(Unaudited)

Fund Balances - Total Governmental Funds **\$ 652,590**

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

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

Capital Assets	236,332	
Accumulated Depreciation	(157,760)	
		78,572

Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds.

59,480

Long-term liabilities are not due in the current period and, therefore, are not reported in the funds.

Compensated Absences	(15,363)	
Net pension liability	(1,024,741)	
		(1,040,104)

Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds.

(112,590)

Net Position-Total Governmental Activities **\$ (362,052)**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Primary Learning Center
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit)
Governmental Funds
For The Year Ended June 30, 2015
(Unaudited)

	Operational 11000	Instructional Materials 14000	Title I IASA 24101	IDEA-B Entitlement 24106
REVENUES				
Property Taxes	\$ -	-	-	-
State Grant	875,461	7,470	-	-
Federal Grant	2,500	-	25,191	16,944
Charges for Services	10,055	-	-	-
Miscellaneous Income	3,076	-	-	-
Total Revenues	<u>891,092</u>	<u>7,470</u>	<u>25,191</u>	<u>16,944</u>
EXPENDITURES				
Current:				
Instruction	431,718	39	15,435	2,482
Support Services:				
Students	40,594	-	-	955
Instruction	43,821	-	-	-
General Administration	102,789	-	-	-
School Administration	32,873	-	-	-
Central Services	106,001	-	-	-
Operation & Maintenance of Plant	80,577	-	-	-
Other Support Services Operations	21	-	-	-
Community Services Operation	8,246	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>846,640</u>	<u>39</u>	<u>15,435</u>	<u>3,437</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>44,452</u>	<u>7,431</u>	<u>9,756</u>	<u>13,507</u>
Net Changes in Fund Balances	<u>44,452</u>	<u>7,431</u>	<u>9,756</u>	<u>13,507</u>
Fund Balances(Deficit) - Beginning of Year	<u>242,745</u>	<u>1,308</u>	<u>(9,756)</u>	<u>(5,550)</u>
Fund Balances (Deficit) - End of Year	<u>\$ 287,197</u>	<u>8,739</u>	<u>-</u>	<u>7,957</u>

The accompanying notes are an integral part of these financial statements

Teacher Principal Traning 24154	ABC Community School Partnership 26177	Literacy for Children at Risk 27107	Public School Capital Outlay 31200	Special Capital Outlay State 31400	Capital Improvements HB-33 31600
-	-	-	-	-	66,752
-	-	-	77,695	40,000	-
1,298	-	-	-	-	-
-	-	-	-	-	-
-	10,000	-	-	-	-
<u>1,298</u>	<u>10,000</u>	<u>-</u>	<u>77,695</u>	<u>40,000</u>	<u>66,752</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	987	-	-	-
-	-	-	-	-	650
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	77,694	-	-
<u>-</u>	<u>-</u>	<u>987</u>	<u>77,694</u>	<u>-</u>	<u>650</u>
<u>1,298</u>	<u>10,000</u>	<u>(987)</u>	<u>1</u>	<u>40,000</u>	<u>66,102</u>
<u>1,298</u>	<u>10,000</u>	<u>(987)</u>	<u>1</u>	<u>40,000</u>	<u>66,102</u>
<u>(1,298)</u>	<u>(10,000)</u>	<u>-</u>	<u>(19,424)</u>	<u>(40,000)</u>	<u>243,361</u>
<u>-</u>	<u>-</u>	<u>(987)</u>	<u>(19,423)</u>	<u>-</u>	<u>309,463</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Aeronautics, Mathematics, and Sciences
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit) - Continued
Governmental Funds
For The Year Ended June 30, 2015
(Unaudited)

	Capital Improvements SB-9 31700	Total Government
REVENUES		
Property Taxes	\$ 32,133	98,885
State Grant	-	1,000,626
Federal Grant	-	45,933
Charges for Services	-	10,055
Miscellaneous Income	-	13,076
Total Revenues	<u>32,133</u>	<u>1,168,575</u>
EXPENDITURES		
Current:		
Instruction	-	449,674
Support Services:		
Students	-	41,549
Instruction	-	44,808
General Administration	320	103,759
School Administration	-	32,873
Central Services	-	106,001
Operation & Maintenance of Plant	-	80,577
Other Support Services Operations	-	21
Community Services Operation	-	8,246
Capital Outlay	1	77,695
Total Expenditures	<u>321</u>	<u>945,203</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>31,812</u>	<u>223,372</u>
Net Changes in Fund Balances	<u>31,812</u>	<u>223,372</u>
Fund Balances(Deficit) - Beginning of Year	<u>27,832</u>	<u>429,218</u>
Fund Balances (Deficit) - End of Year	<u>\$ 59,644</u>	<u>652,590</u>

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Primary Learning Center
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances (Deficit) of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2015
(Unaudited)**

Net Change in Fund Balances-Total Governmental Funds **\$ 223,372**

The issuance of long-term debt (e.g., bonds, notes, leases) provide current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.

Changes in Net Pension Liability (9,957)

Change in Net Position-Total Governmental Activities **\$ 213,415**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Southwest Primary Learning Center
 Statement of Fiduciary Assets and Liabilities- Agency Funds
 June 30, 2015
 (Unaudited)

	<u>Agency</u>
ASSETS	
Cash in Bank	\$ 869
Total Assets	<u>\$ 869</u>
LIABILITIES	
Deposits Held for Others	\$ 869
Total Liabilities	<u>\$ 869</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Southwest Primary Learning Center
 Schedule of Changes in Assets and Liabilities - Agency Funds
 For The Year Ended June 30, 2015
 (Unaudited)

	<u>Balance</u> <u>July 1, 2014</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2015</u>
ASSETS				
Cash in Bank	\$ -	2,237	(1,368)	869
Total Assets	<u>\$ -</u>	<u>2,237</u>	<u>(1,368)</u>	<u>869</u>
LIABILITIES				
Deposits Held for Others	\$ -	2,237	(1,368)	869
Total Liabilities	<u>\$ -</u>	<u>2,237</u>	<u>(1,368)</u>	<u>869</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Primary Learning Center
Notes to the Financial Statements
June 30, 2015
(Unaudited)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Capital Assets. Capital assets purchased or acquired are 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 Southwest Primary Learning Center capitalization policy (i.e., the dollar value above which the asset acquisitions are added to the capital accounts) is \$5,000. The Southwest Primary Learning Center does not capitalize any interest with regard to its capital assets.

Depreciation on all assets is provided on the straight-line basis over the estimated useful lives with no salvage value.

Capital assets for the Southwest Primary Learning Center are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB's Fiduciary Net Position have been determined on the economic resources measurement focus and accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 2. CAPITAL ASSETS

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

	Balance			Balance
	<u>June 30, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2015</u>
<i>Capital Assets being Depreciated:</i>				
Furniture, Fixtures and Equipment	\$ 219,996	-	-	219,996
Buildings and improvements	13,536	-	-	13,536
Land improvements	2,800	-	-	2,800
<i>Total</i>	<u>236,332</u>	-	-	<u>236,332</u>
<i>Less: Accumulated Depreciation</i>	(157,760)	-	-	(157,760)
Capital Assets, Net	<u>\$ 78,572</u>	-	-	<u>78,572</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Primary Learning Center
Notes to the Financial Statements
June 30, 2015
(Unaudited)

NOTE 3. DEFICIT FUND BALANCE

The following funds had a deficit fund balance at June 30, 2015:

Literacy for Children at Risk – 27107	\$	987
Public School Capital Outlay – 31200		19,423

The Southwest Primary Learning Center is addressing the negative fund balance and is planning on taking the appropriate actions to eliminate the negative balance.

NOTE 4. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to the Southwest Primary Learning Center (SPLC) and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions. The contribution requirements of defined benefit plan members and SPLC are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year ended June 30, 2014 employers contributed 13.15% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.10% of their gross annual salary. For fiscal year ended June 30, 2015 employers contributed 13.90%, and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 contributed an increased amount of 10.70% of their gross annual salary. Contributions to the pension plan from SPLC were \$59,480 for the year ended June 30, 2015.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Primary Learning Center
Notes to the Financial Statements
June 30, 2015
(Unaudited)

NOTE 4. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2013. The total ERB pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2014, using generally accepted actuarial principles. Therefore, the employer’s portion was established as of the measurement date June 30, 2014. At June 30, 2015, SPLC reported a liability of \$1,024,741 for its proportionate share of the net pension liability. SPLC’s proportion of the net pension liability is based on the employer contributing entity’s percentage of total employer contributions for the fiscal year ended June 30, 2014. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2014, SPLC’s proportion was 0.01796% percent, which was a decrease of 0.00019% from its proportion measured as of June 30, 2013.

For the year ended June 30, 2015, SPLC recognized pension expense of \$69,437. At the June 30, 2015, SPLC reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	15,261
Changes in assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	93,129
Changes in proportion and differences between SPLC contributions and proportionate share of contributions	-	4,200
SPLC contributions subsequent to the measurement date	<u>59,480</u>	<u>-</u>
Total	<u>\$ 59,480</u>	<u>112,590</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Primary Learning Center
Notes to the Financial Statements
June 30, 2015
(Unaudited)

NOTE 4. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

\$59,480 reported as deferred outflows of resources related to pensions resulting from SPLC’s contributions subsequent to the measurement date June 30, 2014 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2016	\$	30,046
2017		30,046
2018		29,235
2019		23,263
Total	\$	<u>112,590</u>

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

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
SPLC’s proportionate share of the net pension liability	<u>\$ 1,394,281</u>	<u>1,024,741</u>	<u>715,885</u>

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Primary Learning Center
Notes to the Financial Statements
June 30, 2015
(Unaudited)**

NOTE 5. RELATED PARTY TRANSACTIONS

The Founder and Head Administrator of the Southwest Primary Learning Center that was employed thru August 2014 of the current fiscal year was related to the owners of ADI Productions, Inc. The Southwest Primary Learning Center utilizes the services of ADI for all school-sponsored events that require sound and lighting such as school dances, student performances, and graduation. ADI does not charge the Southwest Primary Learning Center for services it provides to Southwest Primary Learning Center.

The same administration operates all four schools: Southwest Secondary, Intermediate, Primary Learning Centers and Southwest Aeronautics, Mathematics, and Sciences Learning Center.

NOTE 6. RESTATEMENT

As a result of implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, net position at June 30, 2014 was restated in the amount of \$(1,067,894).

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Primary Learning Center
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2015

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.02%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 1,025	-	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 495	-	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	207.07%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30, 2014

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Southwest Primary Learning Center
 SCHEDULE OF SCHOOL CONTRIBUTIONS
 June 30, 2015

New Mexico Educational Retirement Board Pension Plan
 Schedule of Ten Year Tracking Data
 (Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 65	-	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	65	-	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ -	-	-	-	-	-	-	-	-	-

Year	Total Amount Deferred	Amortization Years	Increase (Decrease) in Pension Expense over Recognition Periods											
			2015	2016	2017	2018	2019	2020	2021	2022	2023	2024		
2014	\$ 113	5	\$ 30	30	30	29	24	-	-	-	-	-	-	-
2015	-	5	30	-	-	-	-	-	-	-	-	-	-	-
2016	-	5	-	30	-	-	-	-	-	-	-	-	-	-
2017	-	5	-	-	30	-	-	-	-	-	-	-	-	-
2018	-	5	-	-	-	30	-	-	-	-	-	-	-	-
2019	-	5	-	-	-	-	29	-	-	-	-	-	-	-
2020	-	5	-	-	-	-	-	24	-	-	-	-	-	-
2021	-	5	-	-	-	-	-	-	24	-	-	-	-	-
2022	-	5	-	-	-	-	-	-	-	24	-	-	-	-
2023	-	5	-	-	-	-	-	-	-	-	24	-	-	-
	\$ 113		\$ 30	30	30	29	24	-	-	-	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Primary Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2015
(Unaudited)

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 875,024	875,460	875,461	1
Federal Grant	2,508	2,508	2,500	(8)
Charges for Services	1,500	1,500	10,055	8,555
Miscellaneous Income	1,500	1,500	3,076	1,576
Total Revenues	880,532	880,968	891,092	10,124
EXPENDITURES				
Current:				
Instruction	618,890	605,390	448,208	157,182
Support Services:				
Students	126,277	57,264	40,594	16,670
Instruction	-	48,050	43,821	4,229
General Administration	133,901	156,451	102,789	53,662
School Administration	46,147	36,097	32,873	3,224
Central Services	74,550	87,386	106,001	(18,615)
Operation & Maintenance of Plant	109,688	105,701	80,577	25,124
Other Support Services Operations	-	50	21	29
Food Services Operations	-	13,500	8,246	5,254
Total Expenditures	1,109,453	1,109,889	863,130	246,759
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(228,921)</u>	<u>(228,921)</u>	<u>27,962</u>	<u>256,883</u>
Net Changes in Fund Balances	<u>(228,921)</u>	<u>(228,921)</u>	<u>27,962</u>	<u>256,883</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>156,802</u>	<u>156,802</u>
Cash or Fund Balances - End of Year	<u>\$ (228,921)</u>	<u>(228,921)</u>	<u>184,764</u>	<u>413,685</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 27,962	
Adjustments to Revenues			-	
Adjustments to Expenditures			16,490	
NET CHANGE IN FUND BALANCE			<u>\$ 44,452</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Southwest Primary Learning Center
 Schedule of Budgetary Comparisons - Budgetary Basis
 Instructional Materials 14000
 For The Year Ended June 30, 2015
 (Unaudited)

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 5,371	5,371	7,470	2,099
Total Revenues	<u>5,371</u>	<u>5,371</u>	<u>7,470</u>	<u>2,099</u>
EXPENDITURES				
Current:				
Instruction	5,371	5,371	39	5,332
Total Expenditures	<u>5,371</u>	<u>5,371</u>	<u>39</u>	<u>5,332</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>7,431</u>	<u>7,431</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>7,431</u>	<u>7,431</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>1,308</u>	<u>1,308</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>8,739</u>	<u>8,739</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 7,431	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 7,431</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Primary Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
Title I IASA 24101
For The Year Ended June 30, 2015
(Unaudited)

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Property Taxes	\$ -	-	6,440	6,440
Federal Grant	13,404	24,949	25,191	242
Total Revenues	<u>13,404</u>	<u>24,949</u>	<u>31,631</u>	<u>6,682</u>
EXPENDITURES				
Current:				
Instruction	13,404	24,949	15,153	9,796
Total Expenditures	<u>13,404</u>	<u>24,949</u>	<u>15,153</u>	<u>9,796</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	16,478	16,478
Net Changes in Fund Balances	-	-	16,478	16,478
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>16,478</u>	<u>16,478</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 16,478	
Adjustments to Revenues			(6,440)	
Adjustments to Expenditures			(282)	
NET CHANGE IN FUND BALANCE			<u>\$ 9,756</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Southwest Primary Learning Center
 Schedule of Budgetary Comparisons - Budgetary Basis
 IDEA-B Entitlement 24106
 For The Year Ended June 30, 2015
 (Unaudited)

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ -	29,329	16,944	(12,385)
Total Revenues	<u>-</u>	<u>29,329</u>	<u>16,944</u>	<u>(12,385)</u>
EXPENDITURES				
Current:				
Instruction	-	13,802	2,486	11,316
Support Services:				
Students	-	15,527	955	14,572
Total Expenditures	<u>-</u>	<u>29,329</u>	<u>3,441</u>	<u>25,888</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>13,503</u>	<u>13,503</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>13,503</u>	<u>13,503</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>13,503</u>	<u>13,503</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 13,503	
Adjustments to Revenues			-	
Adjustments to Expenditures			4	
NET CHANGE IN FUND BALANCE			<u>\$ 13,507</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Southwest Primary Learning Center
 Schedule of Budgetary Comparisons - Budgetary Basis
 Teacher Principal Training 24154
 For The Year Ended June 30, 2015
 (Unaudited)

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 2,739	5,619	1,298	(4,321)
Total Revenues	<u>2,739</u>	<u>5,619</u>	<u>1,298</u>	<u>(4,321)</u>
EXPENDITURES				
Current:				
Instruction	2,739	4,739	-	4,739
Support Services:				
School Administration	-	880	-	880
Total expenditures	<u>2,739</u>	<u>5,619</u>	<u>-</u>	<u>5,619</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>1,298</u>	<u>1,298</u>
Net changes in Fund Balances	<u>-</u>	<u>-</u>	<u>1,298</u>	<u>1,298</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>1,298</u>	<u>1,298</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 1,298	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 1,298</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Primary Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
ABC Community School Partnership 26177
For The Year Ended June 30, 2015
(Unaudited)

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
	\$ -	-	10,000	10,000
<i>Total Revenues</i>	-	-	10,000	10,000
EXPENDITURES				
<i>Total Expenditures</i>	-	-	-	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	10,000	10,000
<i>Net Changes in Fund Balances</i>	-	-	10,000	10,000
<i>Cash or Fund Balances - Beginning of Year</i>	-	-	-	-
<i>Cash or Fund Balances - End of Year</i>	\$ -	-	10,000	10,000
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 10,000	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 10,000</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Primary Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
Literacy for Children at Risk 27107
For The Year Ended June 30, 2015
(Unaudited)

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 3,129	3,129	-	(3,129)
Total Revenues	<u>3,129</u>	<u>3,129</u>	<u>-</u>	<u>(3,129)</u>
EXPENDITURES				
Current:				
Support Services:				
Instruction	3,129	3,129	987	2,142
Total Expenditures	<u>3,129</u>	<u>3,129</u>	<u>987</u>	<u>2,142</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(987)</u>	<u>(987)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(987)</u>	<u>(987)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(987)</u>	<u>(987)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (987)	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (987)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Primary Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
Public School Capital Outlay 31200
For The Year Ended June 30, 2015
(Unaudited)

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Property Taxes			-	-
State Grant	\$ -	77,695	77,695	-
Total Revenues	<u>-</u>	<u>77,695</u>	<u>77,695</u>	<u>-</u>
EXPENDITURES				
Capital Outlay	-	77,695	58,270	19,425
Total Expenditures	<u>-</u>	<u>77,695</u>	<u>58,270</u>	<u>19,425</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>19,425</u>	<u>19,425</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>19,425</u>	<u>19,425</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>19,425</u>	<u>19,425</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 19,425	
Adjustments to Revenues			(19,424)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 1</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Southwest Primary Learning Center
 Schedule of Budgetary Comparisons - Budgetary Basis
 Special Capital Outlay State 31400
 For The Year Ended June 30, 2015
 (Unaudited)

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 60,000	60,000	40,000	(20,000)
Total Revenues	<u>60,000</u>	<u>60,000</u>	<u>40,000</u>	<u>(20,000)</u>
EXPENDITURES				
Capital Outlay	60,000	60,000	-	60,000
Total Expenditures	<u>60,000</u>	<u>60,000</u>	<u>-</u>	<u>60,000</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>40,000</u>	<u>40,000</u>
	-	-	-	-
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>40,000</u>	<u>40,000</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>40,000</u>	<u>40,000</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 40,000	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 40,000</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Southwest Primary Learning Center
 Schedule of Budgetary Comparisons - Budgetary Basis
 Capital Improvements HB-33 31600
 For The Year Ended June 30, 2015
 (Unaudited)

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Property Taxes	\$ -	64,863	67,880	3,017
Total Revenues	<u>-</u>	<u>64,863</u>	<u>67,880</u>	<u>3,017</u>
EXPENDITURES				
Current:				
General Administration	-	650	650	-
Capital Outlay	-	64,213	-	64,213
Total Expenditures	<u>-</u>	<u>64,863</u>	<u>650</u>	<u>64,213</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>67,230</u>	<u>67,230</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>67,230</u>	<u>67,230</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>67,230</u>	<u>67,230</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 67,230	
Adjustments to Revenues			(1,128)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 66,102</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Primary Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
Capital Improvements SB-9 31700
For The Year Ended June 30, 2015
(Unaudited)

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Property Taxes	\$ 32,465	32,465	32,133	(332)
State Grant	2,412	2,412	-	(2,412)
Total Revenues	<u>34,877</u>	<u>34,877</u>	<u>32,133</u>	<u>(2,744)</u>
EXPENDITURES				
Current:				
Support Services:				
General Administration	-	350	320	30
Capital Outlay	64,169	64,169	1	64,168
Total Expenditures	<u>64,169</u>	<u>64,519</u>	<u>321</u>	<u>64,198</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(29,292)</u>	<u>(29,642)</u>	<u>31,812</u>	<u>61,454</u>
Net Changes in Fund Balances	<u>(29,292)</u>	<u>(29,642)</u>	<u>31,812</u>	<u>61,454</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>27,832</u>	<u>27,832</u>
Cash or Fund Balances - End of Year	<u>\$ (29,292)</u>	<u>(29,642)</u>	<u>59,644</u>	<u>89,286</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 31,812	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 31,812</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Primary Learning Center
Schedule of Collateral Pledged by Depository for Public Funds
June 30, 2015
(Unaudited)

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2015</u>
N/A	N/A	N/A	N/A	\$ -
				\$ -
Total Cash per Schedule of Cash Accounts:				\$ 670,009
Less: FDIC coverage:				(250,000)
Uninsured Public Funds:				420,009
Collateral Requirement:				210,005
Pledged Collateral Held by Pledging Financial Institution:				-
Balance Under Collateralized:				\$ (210,005)
Balance Uninsured and Uncollateralized at June 30, 2015:				\$ 670,009

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Southwest Primary Learning Center
 Schedule of Cash Accounts
 June 30, 2015
 (Unaudited)

<u>Bank Account Type</u>	<u>Nusenda Credit Union</u>
Checking - Operational Account	\$ 670,009
<i>Total on Deposit</i>	670,009
Reconciling Items	<u>(26,681)</u>
Reconciled Balance June 30, 2015	<u>643,328</u>
Less Agency Funds	<u>(869)</u>
<i>Total Cash</i>	<u>\$ 642,459</u>

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Primary Learning Center
Cash Reconciliation
June 30, 2015
(Unaudited)

	Operational 11000	Instructional Materials 14000	Non-Instruct. Fund 23000	Federal Projects Account 24000
Cash, June 30, 2014	\$ 242,747	1,308	-	(16,605)
Add:				
2014-15 revenues	891,097	7,470	2,237	36,993
Total Cash Available	1,133,844	8,778	2,237	20,388
Less:				
2014-15 expenditures	(846,546)	(39)	(1,368)	(18,864)
Receivables/Payables	16,472	-	-	281
Outstanding Loans	-	-	-	-
Cash June 30, 2015	303,770	8,739	869	1,805
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	(45,990)	-	-	6,156
Cash Per Books	257,780	8,739	869	7,961
Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	29,417	-	(869)	(4)
Fund Balance (Deficit), Modified Accrual Basis	\$ 287,197	8,739	-	7,957

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

Local Grants 26000	State Account 27000	Public School Capital Outlay 31200	Special Capital Outlay - State 31400	Capital Improv. HB-33 31600	SB-9 Capital Improvements 31700	Total
(10,000)	-	(19,424)	(40,000)	243,361	27,832	429,219
<u>10,000</u>	<u>-</u>	<u>58,272</u>	<u>40,000</u>	<u>65,623</u>	<u>32,133</u>	<u>1,143,825</u>
-	-	38,848	-	308,984	59,965	1,573,044
-	(987)	(77,695)	-	(649)	(321)	(946,469)
-	-	-	-	-	-	16,753
-	-	-	-	-	-	-
<u>-</u>	<u>(987)</u>	<u>(38,847)</u>	<u>-</u>	<u>308,335</u>	<u>59,644</u>	<u>643,328</u>
-	987	38,847	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>308,335</u>	<u>59,644</u>	<u>643,328</u>
						Less: Activity Funds Per Schedule of Changes in Assets and Liabilities- Agency Fund: <u>(869)</u>
						<u>\$ 642,459</u>
<u>-</u>	<u>(987)</u>	<u>(19,423)</u>	<u>-</u>	<u>1,128</u>	<u>-</u>	<u>9,262</u>
<u>-</u>	<u>(987)</u>	<u>(19,423)</u>	<u>-</u>	<u>309,463</u>	<u>59,644</u>	<u>652,590</u>
						Balance Sheets - Governmental Funds: <u>\$ 652,590</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Southwest Secondary Learning Center
 Statement of Net Position
 June 30, 2015
 (Unaudited)

ASSETS

Current Assets:

Cash and Cash Equivalents	\$ 1,753,709
Receivables	
Due from Other Governments	65,870
Total Current Assets	<u>1,819,579</u>

Noncurrent Assets:

Capital Assets	
Buildings and Improvements	42,662
Vehicles	46,356
Furniture, Fixtures and Equipment	977,932
Less: Accumulated Depreciation	<u>(1,009,930)</u>
Total Noncurrent Assets	<u>57,020</u>

Total Assets	<u>1,876,599</u>
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Deferred outflows - pension related	<u>224,870</u>
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LIABILITIES

Current Liabilities:

Accounts Payable	136,309
Accrued Liabilities	38,855
Compensated Absences	<u>18,894</u>
Total Current Liabilities	<u>194,058</u>

Noncurrent Liabilities:

Net Pension Liability	<u>2,007,838</u>
Total Noncurrent Liabilities	<u>2,007,838</u>

Total Liabilities	<u>2,201,896</u>
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Deferred inflows - pension related	<u>212,419</u>
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NET POSITION

Investment in Capital Assets	57,020
Restricted	1,014,470
Unrestricted	<u>(1,384,336)</u>
Total Net Position	<u>\$ (312,846)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Secondary Learning Center
Statement of Activities
For The Year Ended June 30, 2015
(Unaudited)

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 1,031,837	54,218	123,119	-	(854,500)
Support Services:					
Students	131,812	-	-	-	(131,812)
Instruction	163,748	-	-	-	(163,748)
General Administration	163,139	-	-	-	(163,139)
School Administration	215,277	-	-	-	(215,277)
Central Services	155,889	-	-	-	(155,889)
Operation & Maintenance of Plant	264,905	-	-	-	(264,905)
Other Support Services	727	-	-	-	(727)
Student Transportation	35,703	48,686	-	-	12,983
Food Services	446	-	-	-	(446)
Facilities Materials, Supplies & Other Services	300,918	-	-	206,631	(94,287)
Total Governmental Activities	\$ 2,464,401	102,904	123,119	206,631	(2,031,747)
General Revenues:					
					\$ 249,563
					2,390,798
					32,903
					<u>2,673,264</u>
Change in Net Position					641,517
					990,713
					<u>(1,945,076)</u>
					(954,363)
					<u>\$ (312,846)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Secondary Learning Center
Balance Sheets - Governmental Funds
June 30, 2015
(Unaudited)

	Operational 11000	Student Transportation 13000	Instructional Materials 14000	Title I IASA 24101
ASSETS				
Cash and Cash Equivalents	\$ 732,119	37,570	40,739	-
Accounts Receivable				
Due from Governments	-	-	-	7,129
Due from Other Funds	152,377	-	-	-
Total Assets	\$ 884,496	37,570	40,739	7,129
LIABILITIES AND FUND BALANCES				
<i>Liabilities:</i>				
Accounts Payable	\$ 83,700	7,120	-	480
Accrued Expenditures	37,167	-	-	862
Due to Other Funds	-	-	-	5,787
Total Liabilities	120,867	7,120	-	7,129
<i>Fund Balances (Deficit)</i>				
Fund Balance:				
Restricted for:				
Instruction	-	-	40,739	-
Student Transportation	-	30,450	-	-
Capital Improvements	-	-	-	-
Unassigned (Deficit)	763,629	-	-	-
Total Fund Balance (Deficit)	763,629	30,450	40,739	-
Total Liabilities and Fund Balances (Deficit)	\$ 884,496	37,570	40,739	7,129

The accompanying notes are an integral part of these financial statements

IDEA-B Entitlement 24106	IDEA-B "Risk Pool" 24120	Teacher Principal Training 24154	Dual Credits Instructional Materials 27103	Literacy for Children at Risk PED 27107	Public School Capital Outlay 31200
-	-	-	-	-	-
7,129	-	-	-	-	51,612
-	-	-	-	-	-
<u>7,129</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>51,612</u>
-	-	-	2,944	-	-
826	-	-	-	-	-
6,303	-	-	-	-	107,062
<u>7,129</u>	<u>-</u>	<u>-</u>	<u>2,944</u>	<u>-</u>	<u>107,062</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	(2,944)	-	(55,450)
-	-	-	(2,944)	-	(55,450)
<u>7,129</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>51,612</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Secondary Learning Center
Balance Sheets - Governmental Funds (Continued)
June 30, 2015
(Unaudited)

	Special Capital Outlay State 31400	Capital Improvements HB-33 31600	SB-9 Capital Improvements 31700	Total
ASSETS				
Cash and Cash Equivalents	\$ -	798,999	144,282	1,753,709
Accounts Receivable				
Due from Governments	-	-	-	65,870
Due from Other Funds	-	-	-	152,377
Total Assets	\$ -	798,999	144,282	1,971,956
LIABILITIES AND FUND BALANCES				
<i>Liabilities:</i>				
Accounts Payable	\$ 42,065	-	-	136,309
Accrued Expenditures	-	-	-	38,855
Due to Other Funds	33,225	-	-	152,377
Total Liabilities	75,290	-	-	327,541
<i>Fund Balances (Deficit)</i>				
Fund Balance:				
Restricted for:				
Instruction	-	-	-	40,739
Student Transportation	-	-	-	30,450
Capital Improvements	-	798,999	144,282	943,281
Unassigned (Deficit)	(75,290)	-	-	629,945
Total Fund Balance (Deficit)	(75,290)	798,999	144,282	1,644,415
Total Liabilities and Fund Balances (Deficit)	\$ -	798,999	144,282	1,971,956

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Secondary Learning Center
Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
June 30, 2015
(Unaudited)

Fund Balances - Total Governmental Funds **\$ 1,644,415**

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

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

Capital Assets	1,066,950	
Accumulated Depreciation	<u>(1,009,930)</u>	57,020

Defined benefit pension plan deferred outflows are not financial resources and, therefore, and not reported in the funds		224,870
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Long-term liabilities are not due in the current period and, therefore, are not reported in the funds.

Compensated Absences	(18,894)	
Net Pension Liability	<u>(2,007,838)</u>	(2,026,732)

Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds		<u>(212,419)</u>
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Net Position-Total Governmental Activities **\$ (312,846)**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Secondary Learning Center
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit)
Governmental Funds
For The Year Ended June 30, 2015
(Unaudited)

	Operational 11000	Student Transportation 13000	Instructional Materials 14000	Title I IASA 24101
REVENUES				
Property Taxes	\$ -	-	-	-
State Grant	2,390,798	48,686	18,712	-
Federal Grant	5,906	-	-	49,130
Charges for Services	54,218	-	-	-
Miscellaneous Income	32,891	-	12	-
Total Revenues	<u>2,483,813</u>	<u>48,686</u>	<u>18,724</u>	<u>49,130</u>
EXPENDITURES				
Current:				
Instruction	935,053	-	3,099	28,475
Support Services:				
Students	129,678	-	-	-
Instruction	157,532	-	-	-
General Administration	157,686	-	-	-
School Administration	206,628	-	-	-
Central Services	154,246	-	-	-
Operation & Maintenance of Plant	262,886	-	-	-
Student Transportation	-	35,703	-	-
Other Support Services Operations	727	-	-	-
Food Services Operations	446	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>2,004,882</u>	<u>35,703</u>	<u>3,099</u>	<u>28,475</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>478,931</u>	<u>12,983</u>	<u>15,625</u>	<u>20,655</u>
Net Changes in Fund Balances	<u>478,931</u>	<u>12,983</u>	<u>15,625</u>	<u>20,655</u>
Fund Balances(Deficit) - Beginning of Year	<u>284,698</u>	<u>17,467</u>	<u>25,114</u>	<u>(20,655)</u>
Fund Balances (Deficit) - End of Year	<u>\$ 763,629</u>	<u>30,450</u>	<u>40,739</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements

IDEA-B Entitlement 24106	IDEA-B "Risk Pool" 24120	Teacher Principal Training 24154	Dual Credits Instructional Materials 27103	Literacy for Children at Risk PED 27107	Public School Capital Outlay 31200
-	-	-	-	-	-
-	-	-	7,650	-	206,631
41,721	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>41,721</u>	<u>-</u>	<u>-</u>	<u>7,650</u>	<u>-</u>	<u>206,631</u>
28,480	-	-	9,423	-	-
633	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	210,284
<u>29,113</u>	<u>-</u>	<u>-</u>	<u>9,423</u>	<u>-</u>	<u>210,284</u>
12,608	-	-	(1,773)	-	(3,653)
12,608	-	-	(1,773)	-	(3,653)
<u>(12,608)</u>	<u>-</u>	<u>-</u>	<u>(1,171)</u>	<u>-</u>	<u>(51,797)</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,944)</u>	<u>-</u>	<u>(55,450)</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Secondary Learning Center
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit) - Continued
Governmental Funds
For The Year Ended June 30, 2015
(Unaudited)

	Special Capital Outlay State 31400	Capital Improvements HB-33 31600	SB-9 Capital Improvements 31700	Total
REVENUES				
Property Taxes	\$ -	167,046	82,517	249,563
State Grant	-	-	-	2,672,477
Federal Grant	-	-	-	96,757
Charges for Services	-	-	-	54,218
Miscellaneous Income	-	-	-	32,903
Total Revenues	<u>-</u>	<u>167,046</u>	<u>82,517</u>	<u>3,105,918</u>
EXPENDITURES				
Current:				
Instruction	-	-	-	1,004,530
Support Services:				
Students	-	-	-	130,311
Instruction	-	-	-	157,532
General Administration	-	1,658	819	160,163
School Administration	-	-	-	206,628
Central Services	-	-	-	154,246
Operation & Maintenance of Plant	-	-	-	262,886
Student Transportation	-	-	-	35,703
Other Support Services Operations	-	-	-	727
Food Services Operations	-	-	-	446
Capital Outlay	75,290	-	15,344	300,918
Total Expenditures	<u>75,290</u>	<u>1,658</u>	<u>16,163</u>	<u>2,414,090</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(75,290)</u>	<u>165,388</u>	<u>66,354</u>	<u>691,828</u>
Net Changes in Fund Balances	<u>(75,290)</u>	<u>165,388</u>	<u>66,354</u>	<u>691,828</u>
Fund Balances(Deficit) - Beginning of Year	<u>-</u>	<u>633,611</u>	<u>77,928</u>	<u>952,587</u>
Fund Balances (Deficit) - End of Year	<u>\$ (75,290)</u>	<u>798,999</u>	<u>144,282</u>	<u>1,644,415</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Secondary Learning Center
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances (Deficit) of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2015
(Unaudited)

Net Change in Fund Balances-Total Governmental Funds **\$ 691,828**

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

Change in net pension liability (50,311)

Change in Net Position-Total Governmental Activities **\$ 641,517**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Southwest Secondary Learning Center
 Statement of Fiduciary Assets and Liabilities - Agency Funds
 June 30, 2015
 (Unaudited)

	<u>Funds</u>
ASSETS	
Cash in Bank	\$ 2,244
Total Assets	<u>\$ 2,244</u>
LIABILITIES	
Deposits Held for Others	\$ 2,244
Total Liabilities	<u>\$ 2,244</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Secondary Learning Center
Schedule of Changes in Assets and Liabilities - Agency Funds
For The Year Ended June 30, 2015
(Unaudited)

	<u>Balance</u> <u>July 1, 2014</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2015</u>
ASSETS				
Cash in Bank	\$ -	8,042	(5,798)	2,244
Total Assets	<u>\$ -</u>	<u>8,042</u>	<u>(5,798)</u>	<u>2,244</u>
 LIABILITIES				
Deposits Held for Others	\$ -	8,042	(5,798)	2,244
Total Liabilities	<u>\$ -</u>	<u>8,042</u>	<u>(5,798)</u>	<u>2,244</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Southwest Secondary Learning Center
 Notes to the Financial Statements
 June 30, 2015
 (unaudited)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Capital Assets. Capital assets purchased or acquired are 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. Southwest Secondary Learning Center’s capitalization policy (i.e., the dollar value above which the asset acquisitions are added to the capital accounts) is \$5,000. Southwest Secondary Learning Center (SSLC) does not capitalize any interest with regard to its capital assets.

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

Furniture, Fixtures and Equipment	5 years
Buildings and Improvements	40 years
Vehicles	10 years

Capital assets for SSLC are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB’s Fiduciary Net Position have been determined on the economic resources measurement focus and accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 2. RECEIVABLES

Receivables as of June 30, 2015 are as follows:

Due from Other Governments:	
Title I IASA	\$ 7,129
IDEA-B Entitlement	7,129
Public School Capital Outlay	<u>51,612</u>
Total Due from Other Governments	<u>\$ 65,870</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Secondary Learning Center
Notes to the Financial Statements
June 30, 2015
(unaudited)

NOTE 3. CAPITAL ASSETS

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

	<u>Balance</u> <u>June 30, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2015</u>
<i>Capital Assets being Depreciated:</i>				
Furniture, Fixtures and Equipment	\$ 977,932	-	-	977,932
Buildings and Improvements	42,662	-	-	42,662
Vehicles	46,356	-	-	46,356
<i>Total</i>	1,066,950	-	-	1,066,950
<i>Less: Accumulated Depreciation</i>	(1,009,930)	-	-	(1,009,930)
Capital Assets, Net	\$ 57,020	-	-	57,020

NOTE 4. COMMITMENTS AND LIABILITIES

Southwest Secondary Learning Center leased various facilities and equipment under long-term cancelable operating leases. Rental expense for the year ended June 30, 2015 was \$327,675. Southwest Secondary Learning Center's minimum future payments on these leases are as follows:

Year Ending June 30:	
2016	\$ 110,160
2017	112,363
2018	112,363
2019	112,363
2020	112,363
2021	123,690
Total minimum lease payments	\$ 683,302

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Southwest Secondary Learning Center
 Notes to the Financial Statements
 June 30, 2015
 (unaudited)

NOTE 5. DEFICIT FUND BALANCE

The following funds had a deficit fund balance at June 30, 2015:

27103 Dual Credits Instructional Materials	\$ 2,944
31200 Public School Capital Outlay	55,450
31400 Special Capital Outlay State	<u>75,290</u>
Total funds with deficit balances	<u>\$ 133,684</u>

SSLC is addressing the negative fund balances and is planning on taking the appropriate actions to eliminate the negative balances.

NOTE 6. OVERSPENT BUDGET LINE ITEMS

Southwest Secondary Learning Center had expended in excess of the budget in the following funds and functional groups:

31200 Public Schools Capital Outlay	
Capital Outlay	\$ <u>3,838</u>
Total over-expenditures	<u>\$ 3,838</u>

NOTE 7. RELATED PARTY TRANSACTIONS

The Founder and Head Administrator of the Southwest Secondary Learning Center that was employed through August 2014 of the current fiscal year was related to the owners of ADI Productions, Inc. The Southwest Secondary Learning Center utilizes the services of ADI for all school-sponsored events that require sound and lighting such as school dances, student performances and graduation. ADI does not charge Southwest Secondary Learning Center for services it provides to Southwest Secondary Learning Center.

The same administration operates all four schools: Southwest Secondary, Intermediate and Primary Learning Centers and Southwest Aeronautics, Mathematics and Science Academy.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Secondary Learning Center
Notes to the Financial Statements
June 30, 2015
(unaudited)

NOTE 8. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to Southwest Secondary Learning Center and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions. The contribution requirements of defined benefit plan members and Southwest Secondary Learning Center are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year ended June 30, 2014 employers contributed 13.15% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.10% of their gross annual salary. For fiscal year ended June 30, 2015 employers contributed 13.90%, and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 contributed an increased amount of 10.70% of their gross annual salary. Contributions to the pension plan from Southwest Secondary Learning Center were \$123,775 for the year ended June 30, 2015.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2013. The total ERB pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2014, using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date June 30, 2014. At June 30, 2015, Southwest Secondary Learning Center reported a liability of \$2,007,838 for its proportionate share of the net pension liability. Southwest Secondary Learning Center's proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2014. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2014, Southwest Secondary Learning Center's proportion was 0.03519% percent, which was an increase of 0.00217% from its proportion measured as of June 30, 2013.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Secondary Learning Center
Notes to the Financial Statements
June 30, 2015
(unaudited)

NOTE 8. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (Continued)

For the year ended June 30, 2015, Southwest Secondary Learning Center recognized pension expense of \$174,086. At the June 30, 2015, Southwest Secondary Learning Center reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	29,908
Changes in assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	182,511
Changes in proportion and differences between Southwest Secondary Learning Center's contributions and proportionate share of contributions	101,095	-
Southwest Secondary Learning Center's contributions subsequent to the measurement date	<u>123,775</u>	<u>-</u>
Total	<u>\$ 224,870</u>	<u>212,419</u>

\$123,775 reported as deferred outflows of resources related to pensions resulting from Southwest Secondary Learning Center's contributions subsequent to the measurement date June 30, 2014 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2016	\$ 20,914
2017	20,914
2018	23,880
2019	<u>45,616</u>
Total	<u>\$ 111,324</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Southwest Secondary Learning Center
 Notes to the Financial Statements
 June 30, 2015
 (unaudited)

NOTE 8. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (Continued)

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

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
Southwest Secondary Learning Center's proportionate share of the net pension liability	<u>\$ 2,731,897</u>	<u>2,007,838</u>	<u>1,402,973</u>

Payables to the pension plan. Southwest Secondary Learning Center accrued \$17,803 in ERB benefits at June 30, 2015 for teachers with ten month contracts.

NOTE 9. RESTATEMENT

As a result of implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, Net Position at June 30, 2014 was restated in the amount of (\$1,945,076).

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
 Southwest Secondary Learning Center
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2015

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.04%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 2,007	-	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 970	-	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	206.91%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30, 2014

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Secondary Learning Center
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2015

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 128	-	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	128	-	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ -	-	-	-	-	-	-	-	-	-

Increase (Decrease) in Pension Expense over Recognition Periods

Year	Total Amount Deferred	Amortization Years	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
2014	\$ 111	5		\$ 21	21	24	45	-	-	-	-	-
2015	-	5			-	-	-	-	-	-	-	-
2016	-	5				-	-	-	-	-	-	-
2017	-	5					-	-	-	-	-	-
2018	-	5						-	-	-	-	-
2019	-	5							-	-	-	-
2020	-	5								-	-	-
2021	-	5									-	-
2022	-	5										-
2023	-	5										
	\$ 111		\$ 21	21	24	45	-	-	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Secondary Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2015
(Unaudited)

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 2,389,605	2,390,798	2,390,798	-
Federal Grant	4,757	4,757	5,906	1,149
Charges for Services	11,000	11,000	54,218	43,218
Miscellaneous Income	24,500	24,500	32,891	8,391
Total Revenues	2,429,862	2,431,055	2,483,813	52,758
EXPENDITURES				
Current:				
Instruction	1,402,842	1,402,842	907,611	495,231
Support Services:				
Students	495,768	245,918	127,566	118,352
Instruction	-	172,950	157,532	15,418
General Administration	218,356	195,956	141,162	54,794
School Administration	149,611	225,011	206,628	18,383
Central Services	114,816	161,416	126,766	34,650
Operation & Maintenance of Plant	394,182	370,882	252,792	118,090
Other Support Services Operations	-	100	727	(627)
Food Services Operations	-	1,693	446	1,247
Total Expenditures	2,775,575	2,776,768	1,921,230	855,538
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	(345,713)	(345,713)	562,583	908,296
Net Changes in Fund Balances	(345,713)	(345,713)	562,583	908,296
Cash or Fund Balances - Beginning of Year	-	-	284,746	284,746
Cash or Fund Balances - End of Year	\$ (345,713)	(345,713)	847,329	1,193,042
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 562,583	
Adjustments to Revenues			-	
Adjustments to Expenditures			(83,652)	
NET CHANGE IN FUND BALANCE			\$ 478,931	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Secondary Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
Student Transportation 13000
For The Year Ended June 30, 2015
(Unaudited)

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 49,375	48,686	48,686	-
Total Revenues	<u>49,375</u>	<u>48,686</u>	<u>48,686</u>	<u>-</u>
EXPENDITURES				
Current:				
Student Transportation	49,375	48,686	28,583	20,103
Total Expenditures	<u>49,375</u>	<u>48,686</u>	<u>28,583</u>	<u>20,103</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	20,103	20,103
Net Changes in Fund Balances	-	-	20,103	20,103
Cash or Fund Balances - Beginning of Year	-	-	17,467	17,467
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>37,570</u>	<u>37,570</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 20,103	
Adjustments to Revenues			-	
Adjustments to Expenditures			<u>(7,120)</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 12,983</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Secondary Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2015
(Unaudited)

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 14,261	14,261	18,712	4,451
Miscellaneous Income	-	-	12	12
Total Revenues	<u>14,261</u>	<u>14,261</u>	<u>18,724</u>	<u>4,463</u>
EXPENDITURES				
Current:				
Instruction	40,506	40,506	3,099	37,407
Total Expenditures	<u>40,506</u>	<u>40,506</u>	<u>3,099</u>	<u>37,407</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(26,245)</u>	<u>(26,245)</u>	<u>15,625</u>	<u>41,870</u>
Net Changes in Fund Balances	<u>(26,245)</u>	<u>(26,245)</u>	<u>15,625</u>	<u>41,870</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>25,114</u>	<u>25,114</u>
Cash or Fund Balances - End of Year	<u>\$ (26,245)</u>	<u>(26,245)</u>	<u>40,739</u>	<u>66,984</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 15,625	
Adjustments to Revenues			-	
Adjustments to Expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 15,625</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Secondary Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
Title I IASA 24101
For The Year Ended June 30, 2015
(Unaudited)

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 29,870	32,896	42,001	9,105
Total Revenues	<u>29,870</u>	<u>32,896</u>	<u>42,001</u>	<u>9,105</u>
EXPENDITURES				
Current:				
Instruction	29,870	32,896	28,475	4,421
Total Expenditures	<u>29,870</u>	<u>32,896</u>	<u>28,475</u>	<u>4,421</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	13,526	13,526
Net Changes in Fund Balances	-	-	13,526	13,526
Cash or Fund Balances - Beginning of Year	-	-	(20,175)	(20,175)
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(6,649)</u>	<u>(6,649)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 13,526	
Adjustments to Revenues			7,129	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 20,655</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Secondary Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Entitlement 24106
For The Year Ended June 30, 2015
(Unaudited)

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 39,081	69,661	34,592	(35,069)
Total Revenues	<u>39,081</u>	<u>69,661</u>	<u>34,592</u>	<u>(35,069)</u>
EXPENDITURES				
Current:				
Instruction	31,069	36,269	28,480	7,789
Support Services:				
Students	8,012	33,392	633	32,759
Total Expenditures	<u>39,081</u>	<u>69,661</u>	<u>29,113</u>	<u>40,548</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	5,479	5,479
Net Changes in Fund Balances	-	-	5,479	5,479
Cash or Fund Balances - Beginning of Year	-	-	(12,608)	(12,608)
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(7,129)</u>	<u>(7,129)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 5,479	
Adjustments to Revenues			7,129	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 12,608</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Secondary Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B "Risk Pool" 24120
For The Year Ended June 30, 2015
(Unaudited)

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ -	61	-	(61)
Total Revenues	<u>-</u>	<u>61</u>	<u>-</u>	<u>(61)</u>
EXPENDITURES				
Current:				
Instruction	-	61	-	61
Total Expenditures	<u>-</u>	<u>61</u>	<u>-</u>	<u>61</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Secondary Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
Teacher / Principal Training 24154
For The Year Ended June 30, 2015
(Unaudited)

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 6,260	12,205	-	(12,205)
Total Revenues	<u>6,260</u>	<u>12,205</u>	<u>-</u>	<u>(12,205)</u>
EXPENDITURES				
Current:				
Instruction	6,260	9,260	-	9,260
Support Services:				
School Administration	-	2,945	-	2,945
Total Expenditures	<u>6,260</u>	<u>12,205</u>	<u>-</u>	<u>12,205</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Secondary Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
Dual Credits Instructional Materials 27103
For The Year Ended June 30, 2015
(Unaudited)

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	6,479	7,650	1,171
Total Revenues	<u>-</u>	<u>6,479</u>	<u>7,650</u>	<u>1,171</u>
EXPENDITURES				
Current:				
Instruction	-	6,479	6,479	-
Total Expenditures	<u>-</u>	<u>6,479</u>	<u>6,479</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>1,171</u>	<u>1,171</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>1,171</u>	<u>1,171</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>(1,171)</u>	<u>(1,171)</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 1,171	
Adjustments to Revenues			-	
Adjustments to Expenditures			<u>(2,944)</u>	
NET CHANGE IN FUND BALANCE			<u>\$ (1,773)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Secondary Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
Literacy for Children at Risk PED 27107
For The Year Ended June 30, 2015
(Unaudited)

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 3,347	3,347	-	(3,347)
Total Revenues	<u>3,347</u>	<u>3,347</u>	<u>-</u>	<u>(3,347)</u>
EXPENDITURES				
Current:				
Support Services:				
Instruction	3,347	3,347	-	3,347
Total Expenditures	<u>3,347</u>	<u>3,347</u>	<u>-</u>	<u>3,347</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Secondary Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
Public Schools Capital Outlay 31200
For The Year Ended June 30, 2015
(Unaudited)

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	206,446	155,019	(51,427)
Total Revenues	<u>-</u>	<u>206,446</u>	<u>155,019</u>	<u>(51,427)</u>
EXPENDITURES				
Current:				
Capital Outlay	-	206,446	210,284	(3,838)
Total Expenditures	<u>-</u>	<u>206,446</u>	<u>210,284</u>	<u>(3,838)</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(55,265)</u>	<u>(55,265)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(55,265)</u>	<u>(55,265)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>(51,797)</u>	<u>(51,797)</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(107,062)</u>	<u>(107,062)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (55,265)	
Adjustments to Revenues			51,612	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (3,653)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Secondary Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
Special Capital Outlay State 31400
For The Year Ended June 30, 2015
(Unaudited)

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 130,000	130,000	-	(130,000)
Total Revenues	<u>130,000</u>	<u>130,000</u>	<u>-</u>	<u>(130,000)</u>
EXPENDITURES				
Current:				
Capital Outlay	130,000	130,000	33,225	96,775
Total Expenditures	<u>130,000</u>	<u>130,000</u>	<u>33,225</u>	<u>96,775</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(33,225)	(33,225)
Net Changes in Fund Balances	-	-	(33,225)	(33,225)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(33,225)</u>	<u>(33,225)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (33,225)	
Adjustments to Revenues			-	
Adjustments to Expenditures			(42,065)	
NET CHANGE IN FUND BALANCE			<u>\$ (75,290)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Secondary Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
Capital Improvements HB-33 31600
For The Year Ended June 30, 2015
(Unaudited)

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Property Taxes	\$ -	165,106	167,046	1,940
Total Revenues	<u>-</u>	<u>165,106</u>	<u>167,046</u>	<u>1,940</u>
EXPENDITURES				
Current:				
Support Services:				
General Administration	-	1,660	1,658	2
Capital Outlay	-	163,446	-	163,446
Total Expenditures	<u>-</u>	<u>165,106</u>	<u>1,658</u>	<u>163,448</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>165,388</u>	<u>165,388</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>165,388</u>	<u>165,388</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>633,611</u>	<u>633,611</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>798,999</u>	<u>798,999</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 165,388	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 165,388</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Secondary Learning Center
Schedule of Budgetary Comparisons - Budgetary Basis
SB-9 Capital Improvements 31700
For The Year Ended June 30, 2015
(Unaudited)

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Property Taxes	\$ 82,640	82,640	82,517	(123)
State Grant	6,432	6,432	-	(6,432)
Total Revenues	89,072	89,072	82,517	(6,555)
EXPENDITURES				
Current:				
Support Services:				
General Administration	-	830	819	11
Capital Outlay	171,090	170,260	15,344	154,916
Total Expenditures	171,090	171,090	16,163	154,927
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	(82,018)	(82,018)	66,354	148,372
Net Changes in Fund Balances	(82,018)	(82,018)	66,354	148,372
Cash or Fund Balances - Beginning of Year	-	-	77,928	77,928
Cash or Fund Balances - End of Year	\$ (82,018)	(82,018)	144,282	226,300
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 66,354	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 66,354	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Southwest Secondary Learning Center
 Schedule of Collateral Pledged by Depository for Public Funds
 June 30, 2015
 (Unaudited)

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2015</u>
N/A	N/A	N/A	N/A	\$ -
				<u>\$ -</u>

Total Cash per Schedule of Cash Accounts:	\$	1,832,481
Less: FDIC coverage:		<u>(250,000)</u>
Uninsured Public Funds:		1,582,481
Collateral Requirement:		791,241
Pledged Collateral Held by Pledging Financial Institution:		<u>-</u>
Balance Over Collateralized:	\$	<u>(791,241)</u>
Balance Uninsured and Uncollateralized at June 30, 2015:	\$	<u>1,582,481</u>

The accompanying notes are an integral part of these financial statements

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STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Southwest Secondary Learning Center
 Schedule of Cash Accounts
 June 30, 2015
 (Unaudited)

<u>Bank Account Type</u>	<u>Nusenda Credit Union</u>
Checking - Operational Account	\$ 1,830,474
Savings - Operational Account	<u>2,007</u>
<i>Total on Deposit</i>	1,832,481
Reconciling Items	<u>(76,528)</u>
Reconciled Balance June 30, 2015	<u>1,755,953</u>
Less Agency Funds	<u>(2,244)</u>
<i>Total Cash</i>	<u><u>\$ 1,753,709</u></u>

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Southwest Secondary Learning Center
Cash Reconciliation
June 30, 2015
(Unaudited)

	Operational 11000	Student Transportation 13000	Instructional Materials 14000	Federal Flowthrough 24000
Cash, June 30, 2014	\$ 284,746	17,467	25,114	(32,783)
Add:				
2014-15 revenues	<u>2,483,813</u>	<u>48,686</u>	<u>18,724</u>	<u>76,593</u>
Total cash available	2,768,559	66,153	43,838	43,810
Less:				
2014-15 expenditures	(1,921,230)	(28,583)	(3,099)	(57,588)
Receivables/Payables	37,167	-	-	1,688
Prepaid Expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash June 30, 2015	<u>884,496</u>	<u>37,570</u>	<u>40,739</u>	<u>(12,090)</u>
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	<u>(152,377)</u>	<u>-</u>	<u>-</u>	<u>12,090</u>
Cash per Books	<u>732,119</u>	<u>37,570</u>	<u>40,739</u>	<u>-</u>
Fund Balance (Deficit) Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	<u>(120,867)</u>	<u>(7,120)</u>	<u>-</u>	<u>12,090</u>
Fund Balance (Deficit), Modified Accrual Basis	<u>\$ 763,629</u>	<u>30,450</u>	<u>40,739</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements

State Flowthrough 27000	Public School Capital Outlay 31200	Special Capital Outlay State 31400	Capital Improvements HB- 33 31600	Capital Improvements SB-9 31700	Total
(1,171)	(51,797)	-	633,611	77,928	953,115
7,650	155,019	-	167,046	82,517	3,040,048
6,479	103,222	-	800,657	160,445	3,993,163
(6,479)	(210,284)	(33,225)	(1,658)	(16,163)	(2,278,309)
-	-	-	-	-	38,855
-	-	-	-	-	-
-	(107,062)	(33,225)	798,999	144,282	1,753,709
-	107,062	33,225	-	-	-
-	-	-	798,999	144,282	1,753,709
(2,944)	51,612	(42,065)	-	-	(109,294)
(2,944)	(55,450)	(75,290)	798,999	144,282	1,644,415

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Academy
Statement of Net Position
June 30, 2015

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 355,856
Receivables	
Due from Other Governments	442,796
Prepaid Expenses	1,551
Total Current Assets	<u>800,203</u>

Noncurrent Assets:

Capital Assets	
Building Improvements	514,613
Furniture, Fixtures, and Equipment	207,121
Less: Accumulated Depreciation	<u>(85,592)</u>
Total Noncurrent Assets	<u>636,142</u>

Total Assets	<u>1,436,345</u>
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Deferred Outflows - Pension Related	<u>343,767</u>
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LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Unearned Revenues	6,130
Accrued Liabilities	147,895
Total Current Liabilities	<u>154,025</u>

Noncurrent Liabilities:

Net Pension Liability	<u>1,783,032</u>
Total Noncurrent Liabilities	<u>1,783,032</u>

Total Liabilities	<u>1,937,057</u>
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Deferred Inflows - Pension Related	<u>188,631</u>
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NET POSITION

Investment in Capital Assets	636,142
Restricted	102,298
Unrestricted Deficit	<u>(1,084,016)</u>
Total Net Position	<u>\$ (345,576)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Academy
Statement of Activities
For The Year Ended June 30, 2015

Functions/Programs	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
	Expenses	Charges for Service	Operating Grants and Contributions	
Governmental activities:				
Instruction	\$ 1,351,820	1,766	221,915	-
Support Services:				
Students	190,989	-	-	-
Instruction	9,868	-	-	-
General Administration	16,129	-	-	-
School Administration	255,478	-	-	-
Central Services	188,119	-	-	-
Operation & Maintenance of Plant	183,832	-	-	-
Facilities Materials, Supplies & Other Services	147,720	-	-	294,054
Total Governmental Activities	\$ 2,343,955	1,766	221,915	294,054
General Revenues:				
Property Taxes				\$ 32,222
State Equalization Guarantee				2,038,392
Total General Revenues				2,070,614
Change in Net Position				244,394
Net Position, Beginning				981,480
Restatement Recognized by GASB 68				(1,571,450)
Net position, as restated				(589,970)
Net position, Ending				\$ (345,576)

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Academy
Balance Sheets - Governmental Funds
June 30, 2015

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101
ASSETS				
Cash and Cash Equivalents	\$ 255,109	14,798	191	-
Accounts Receivable				
Due from Government	-	-	-	24,952
Due from Other Funds	442,796	-	-	-
Prepaid Expenditures	1,551	-	-	-
Total Assets	\$ 699,456	14,798	191	24,952
LIABILITIES AND FUND BALANCES				
Liabilities:				
Unearned Revenues	\$ 6,130	-	-	-
Accrued Expenditures	147,895	-	-	-
Due to Other Funds	-	-	-	24,952
Total Liabilities	154,025	-	-	24,952
Fund Balances				
Fund Balance:				
Nonspendable:				
Prepaid Expenditures	1,551	-	-	-
Restricted for:				
Instruction	-	14,798	-	-
Support Services	-	-	-	-
Food Services	-	-	191	-
Capital Improvements	-	-	-	-
Assigned to:				
Subsequent Years Expenditures and Other Programs	543,880	-	-	-
Total Fund Balance	545,431	14,798	191	-
Total Liabilities and Fund Balances	\$ 699,456	14,798	191	24,952

The accompanying notes are an integral part of these financial statements

IDEA-B Entitlement 24106	IDEA -B Risk Pool 24120	Teacher Principal Training 24154	Medicaid 25153	Intel Foundation 26116	Dual Credit Instructional Materials 27103
-	-	-	5,972	568	-
8,323	48	7,984	-	-	1,508
-	-	-	-	-	-
-	-	-	-	-	-
<u>8,323</u>	<u>48</u>	<u>7,984</u>	<u>5,972</u>	<u>568</u>	<u>1,508</u>
-	-	-	-	-	-
-	-	-	-	-	-
<u>8,323</u>	<u>48</u>	<u>7,984</u>	<u>-</u>	<u>-</u>	<u>1,508</u>
<u>8,323</u>	<u>48</u>	<u>7,984</u>	<u>-</u>	<u>-</u>	<u>1,508</u>
-	-	-	-	-	-
-	-	-	-	568	-
-	-	-	5,972	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>5,972</u>	<u>568</u>	<u>-</u>
<u>8,323</u>	<u>48</u>	<u>7,984</u>	<u>5,972</u>	<u>568</u>	<u>1,508</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Academy
Balance Sheets - Governmental Funds (Continued)
June 30, 2015

	Robotics 27115	STEM Teacher Initiative 27181	Teacher and School Leader Incentive Pay 27188	Teacher and School Leader Incentive Pay 27190
ASSETS				
Cash and Cash Equivalents	\$ -	-	-	-
Accounts Receivable				
Due from Government	3,679	5,977	74,999	15,600
Due from Other Funds	-	-	-	-
Prepaid Expenditures	-	-	-	-
Total Assets	\$ 3,679	5,977	74,999	15,600
LIABILITIES AND FUND BALANCES				
Liabilities:				
Unearned Revenues	\$ -	-	-	-
Accrued Expenditures	-	-	-	-
Due to Other Funds	3,679	5,977	74,999	15,600
Total Liabilities	3,679	5,977	74,999	15,600
Fund Balances				
Fund Balance:				
Nonspendable:				
Deposits	-	-	-	-
Restricted for:				
Instruction	-	-	-	-
Support Services	-	-	-	-
Food Services	-	-	-	-
Capital Improvements	-	-	-	-
Assigned to:				
Subsequent Years Expenditures and Other Programs	-	-	-	-
Total Fund Balance	-	-	-	-
Total Liabilities and Fund Balances	\$ 3,679	5,977	74,999	15,600

The accompanying notes are an integral part of these financial statements

Private Direct Grants 29102	Bond Building 31100	Public Schools Capital Outlay 31200	SB-9 Capital Improvements 31700	Total
1,729	-	-	77,489	355,856
-	169,865	129,861	-	442,796
-	-	-	-	442,796
-	-	-	-	1,551
<u>1,729</u>	<u>169,865</u>	<u>129,861</u>	<u>77,489</u>	<u>1,242,999</u>
-	-	-	-	6,130
-	-	-	-	147,895
-	169,865	129,861	-	442,796
-	169,865	129,861	-	596,821
-	-	-	-	1,551
1,729	-	-	-	17,095
-	-	-	-	5,972
-	-	-	-	191
-	-	-	77,489	77,489
-	-	-	-	543,880
<u>1,729</u>	<u>-</u>	<u>-</u>	<u>77,489</u>	<u>646,178</u>
<u>1,729</u>	<u>169,865</u>	<u>129,861</u>	<u>77,489</u>	<u>1,242,999</u>

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STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Taos Academy
 Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
 June 30, 2015

Fund Balance - Total Governmental Funds **\$ 646,178**

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

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

Capital Assets	721,734	
Accumulated Depreciation	<u>(85,592)</u>	
		636,142

Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds.		343,767
---	--	---------

Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds.		(188,631)
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The net pension liability is not due and payable in the current period and, therefore, is not reported in the funds.		<u>(1,783,032)</u>
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Net Position-Total Governmental Activities		<u><u>\$ (345,576)</u></u>
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The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Academy
Statement of Revenues, Expenditures, and Changes In Fund Balances
Governmental Funds
For The Year Ended June 30, 2015

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101
REVENUES				
Property Taxes	\$ -	-	-	-
Local & County Grant	390	-	-	-
State Grant	2,038,392	14,798	-	-
Federal Grant	-	-	-	40,343
Charges for Services	1,766	-	-	-
Total Revenues	2,040,548	14,798	-	40,343
EXPENDITURES				
Current:				
Instruction	1,150,839	-	-	40,343
Support Services:				
Students	150,815	-	-	-
Instruction	8,868	-	-	-
General Administration	16,129	-	-	-
School Administration	230,465	-	-	-
Central Services	183,624	-	-	-
Operation & Maintenance of Plant	161,896	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	1,902,636	-	-	40,343
Net Changes in Fund Balances	137,912	14,798	-	-
Fund Balances - Beginning of Year	407,519	-	191	-
Fund Balances - End of Year	\$ 545,431	14,798	191	-

The accompanying notes are an integral part of these financial statements

IDEA-B Entitlement 24106	IDEA -B Risk Pool 24120	Teacher Principal Training 24154	Medicaid 25153	Intel Foundation 26116	Dual Credit Instructional Materials 27103
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	3,308
36,231	48	7,984	2,385	-	-
-	-	-	-	-	-
<u>36,231</u>	<u>48</u>	<u>7,984</u>	<u>2,385</u>	<u>-</u>	<u>3,308</u>
-	-	7,984	-	-	3,308
36,231	48	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>36,231</u>	<u>48</u>	<u>7,984</u>	<u>-</u>	<u>-</u>	<u>3,308</u>
-	-	-	2,385	-	-
-	-	-	3,587	568	-
-	-	-	5,972	568	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Academy
Statement of Revenues, Expenditures, and Changes In Fund Balances - (Continued)
Governmental Funds
For The Year Ended June 30, 2015

	Robotics 27115	STEM Teacher Initiative 27181	Teacher and School Leader Incentive Pay 27188	Teacher and School Leader Incentive Pay 27190
REVENUES				
Property Taxes	\$ -	-	-	-
Local & County Grant	-	-	-	-
State Grant	3,679	12,150	74,999	15,600
Federal Grant	-	-	-	-
Charges for Services	-	-	-	-
Total Revenues	<u>3,679</u>	<u>12,150</u>	<u>74,999</u>	<u>15,600</u>
EXPENDITURES				
Current:				
Instruction	3,679	12,150	74,999	11,000
Support Services:				
Students	-	-	-	-
Instruction	-	-	-	1,000
General Administration	-	-	-	-
School Administration	-	-	-	3,000
Central Services	-	-	-	600
Operation & Maintenance of Plant	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>3,679</u>	<u>12,150</u>	<u>74,999</u>	<u>15,600</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements

Private Direct Grants 29102	Bond Building 31100	Public Schools Capital Outlay 31200	SB-9 Capital Improvements 31700	Total
-	-	-	32,222	32,222
10,000	164,193	-	-	174,583
-	-	129,861	-	2,292,787
-	-	-	-	86,991
-	-	-	-	1,766
<u>10,000</u>	<u>164,193</u>	<u>129,861</u>	<u>32,222</u>	<u>2,588,349</u>
8,345	-	-	-	1,312,647
-	-	-	-	187,094
-	-	-	-	9,868
-	-	-	-	16,129
-	-	-	-	233,465
-	-	-	-	184,224
-	-	-	-	161,896
-	164,193	129,861	10,963	305,017
<u>8,345</u>	<u>164,193</u>	<u>129,861</u>	<u>10,963</u>	<u>2,410,340</u>
<u>1,655</u>	<u>-</u>	<u>-</u>	<u>21,259</u>	<u>178,009</u>
<u>74</u>	<u>-</u>	<u>-</u>	<u>56,230</u>	<u>468,169</u>
<u>1,729</u>	<u>-</u>	<u>-</u>	<u>77,489</u>	<u>646,178</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Academy
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2015

Net Change in Fund Balances-Total Governmental Funds **\$ 178,009**

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

Capital outlays to purchase or build capital assets are reported in
 governmental funds as expenditures. However, for governmental activities
 those costs are shown in the Statement of Net Position and allocated over
 their estimated useful lives as annual depreciation expenses in the
 Statement of Activities. This is the amount by which capital outlay exceeds
 depreciation for the period.

Capital Outlays	157,297	
Depreciation Expense	<u>(34,466)</u>	
		122,831

Changes in long-term liabilities

Change in Net Pension Liability	<u>(56,446)</u>	
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Change in Net Position-Total Governmental Activities **\$ 244,394**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Taos Academy
 Statement of Fiduciary Assets and Liabilities- Agency Funds
 June 30, 2015

	<u>Agency</u>
ASSETS	
Cash in Bank	\$ 5,838
Total Assets	<u>\$ 5,838</u>
LIABILITIES	
Deposits Held for Others	\$ 5,838
Total Liabilities	<u>\$ 5,838</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Academy
Schedule of Changes in Assets and Liabilities - Agency Funds
For The Year Ended June 30, 2015

	<u>Balance</u> <u>July 1, 2014</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2015</u>
ASSETS				
Cash in Bank	\$ 81	13,503	(7,746)	5,838
Total Assets	<u>\$ 81</u>	<u>13,503</u>	<u>(7,746)</u>	<u>5,838</u>
LIABILITIES				
Deposits Held for Others	\$ 81	13,503	(7,746)	5,838
Total Liabilities	<u>\$ 81</u>	<u>13,503</u>	<u>(7,746)</u>	<u>5,838</u>

The accompanying notes are an integral part of these financial statements

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Capital Assets. Capital assets purchased or acquired are 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. Taos Academy's capitalization policy (i.e., the dollar value above which the asset acquisitions are added to the capital accounts) is \$5,000. Taos Academy does not capitalize any interest with regard to its capital assets.

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

Furniture, Fixtures and Equipment	5-15 years
Buildings and Improvements	15-30 years

Capital assets for Taos Academy are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB's Fiduciary Net Position have been determined on the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Academy
Notes to the Financial Statements
June 30, 2015

NOTE 2. CAPITAL ASSETS

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

	<u>Balance</u> <u>June 30, 2014</u>	<u>Additions</u>	<u>Transfers</u>	<u>Balance</u> <u>June 30, 2015</u>
<i>Capital Assets not being Depreciated:</i>				
Construction-in-process	\$ 12,350	-	(12,350)	-
<i>Total</i>	<u>12,350</u>	<u>-</u>	<u>(12,350)</u>	<u>-</u>
<i>Capital Assets being Depreciated:</i>				
Furniture, Fixtures and Equipment	37,474	157,297	12,350	207,121
Building and Improvements	514,613	-	-	514,613
<i>Total</i>	<u>552,087</u>	<u>157,297</u>	<u>12,350</u>	<u>721,734</u>
<i>Less: Accumulated Depreciation</i>				
Furniture, Fixtures and Equipment	(24,912)	(13,432)	-	(38,344)
Building and Improvements	(26,214)	(21,034)	-	(47,248)
<i>Total</i>	<u>(51,126)</u>	<u>(34,466)</u>	<u>-</u>	<u>(85,592)</u>
Capital Assets, Net	<u>\$ 513,311</u>	<u>122,831</u>	<u>-</u>	<u>636,142</u>

Depreciation expensed for the year ended June 30, 2015 was expensed to the following functions:

School Administration	\$ 13,432
Operation & Maintenance of Plant	<u>21,034</u>
Total	<u>\$ 34,466</u>

NOTE 3. COMMITMENTS AND LIABILITIES

Taos Academy leases equipment and facilities under short-term cancelable operating leases. Rental expenses for the year ended June 30, 2015 was \$147,993. Taos Academy's minimum future payments on these leases are as follows:

Year Ending June 30:	
2016	\$ 161,040

NOTE 4. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to Taos Academy and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions. The contribution requirements of defined benefit plan members and Taos Academy are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year ended June 30, 2014, employers contributed 13.15% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.10% of their gross annual salary.

For fiscal year ended June 30, 2015, employers contributed 13.90% and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 contributed an increased amount of 10.70% of their gross annual salary. Contributions to the pension plan from Taos Academy were \$138,309 for the year ended June 30, 2015.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2013. The total ERB pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2014, using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date of June 30, 2014. At June 30, 2015, Taos Academy reported a liability of \$1,783,032 for its proportionate share of the net pension liability. Taos Academy's proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2014. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2014, Taos Academy's proportion was 0.03125%, which was an increase of 0.00441% from its proportion measured as of June 30, 2013.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Academy
Notes to the Financial Statements
June 30, 2015

NOTE 4. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

For the year ended June 30, 2015, Taos Academy recognized pension expense of \$194,755. At June 30, 2015, Taos Academy reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	26,559
Net difference between projected and actual earnings on pension plan investments	-	162,072
Changes in proportion and differences between Taos Academy contributions and proportionate share of contributions	205,458	-
Taos Academy contributions subsequent to the measurement date	<u>138,309</u>	<u>-</u>
Total	<u>\$ 343,767</u>	<u>188,631</u>

The amount of \$138,309 reported as deferred outflows of resources related to pensions resulting from Taos Academy contributions subsequent to the measurement date of June 30, 2014 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2016	\$ (21,595)
2017	(21,595)
2018	(14,141)
2019	<u>40,504</u>
Total	\$ <u>(16,827)</u>

NOTE 4. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Sensitivity of Taos Academy’s proportionate share of the net pension liability to changes in the discount rate. The following table shows the sensitivity of the net pension liability to changes in the discount rate as of June 30, 2014. In particular, the table presents the (employer’s) net pension liability under the current single rate assumption, as if it were calculated using a discount rate one percentage point lower (6.75%) or one percentage point higher (8.75%) than the single discount rate.

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
The School’s proportionate share of the net pension liability	<u>\$ 2,426,023</u>	<u>1,783,032</u>	<u>1,245,852</u>

Payables to the pension plan. At June 30, 2015, Taos Academy owed \$36,536 to ERB for fiscal year 2015 contributions.

NOTE 5. RESTATEMENT

As a result of implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, net position at June 30, 2014 was restated in the amount of \$(1,571,450).

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
TAOS ACADEMY CHARTER SCHOOL
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2015

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.03%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 1,783	-	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 861	-	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	207.02%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30, 2014

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 TAOS ACADEMY CHARTER SCHOOL
 SCHEDULE OF SCHOOL CONTRIBUTIONS
 June 30, 2015

New Mexico Educational Retirement Board Pension Plan
 Schedule of Ten Year Tracking Data
 (Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 113	-	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	113	-	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ -	-	-	-	-	-	-	-	-	-

Increase (Decrease) in Pension Expense over Recognition Periods

Year	Total Amount Deferred	Amortization Years	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
2014	\$ (17)	5	\$ (22)	(22)	(22)	(14)	41	-	-	-	-	-
2015	-	5	-	-	-	-	-	-	-	-	-	-
2016	-	5	-	-	-	-	-	-	-	-	-	-
2017	-	5	-	-	-	-	-	-	-	-	-	-
2018	-	5	-	-	-	-	-	-	-	-	-	-
2019	-	5	-	-	-	-	-	-	-	-	-	-
2020	-	5	-	-	-	-	-	-	-	-	-	-
2021	-	5	-	-	-	-	-	-	-	-	-	-
2022	-	5	-	-	-	-	-	-	-	-	-	-
2023	-	5	-	-	-	-	-	-	-	-	-	-
	\$ (17)		\$ (22)	(22)	(22)	(14)	41	-	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Local & County Grant	\$ -	-	390	390
State Grant	1,927,950	2,034,188	2,029,984	(4,204)
Charges for Services	-	-	1,766	1,766
Total Revenues	1,927,950	2,034,188	2,032,140	(2,048)
EXPENDITURES				
Current:				
Instruction	1,157,327	1,331,525	1,142,140	189,385
Support Services:				
Students	166,407	182,153	150,501	31,652
Instruction	11,870	13,870	8,868	5,002
General Administration	23,000	27,500	16,129	11,371
School Administration	214,820	266,581	229,995	36,586
Central Services	193,828	206,802	183,351	23,451
Operation & Maintenance of Plant	188,007	407,748	161,755	245,993
Other Support Services Operations	1,089	1,089	-	1,089
Total Expenditures	1,956,348	2,437,268	1,892,739	544,529
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(28,398)</u>	<u>(403,080)</u>	<u>139,401</u>	<u>542,481</u>
Other Financing Sources (Uses):				
Designated Cash	28,398	403,080	-	(403,080)
Total Other Financing Sources (Uses):	<u>28,398</u>	<u>403,080</u>	<u>-</u>	<u>(403,080)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>139,401</u>	<u>139,401</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>407,519</u>	<u>407,519</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>546,920</u>	<u>546,920</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 139,401	
Adjustments to Revenues			8,408	
Adjustments to Expenditures			(9,897)	
NET CHANGE IN FUND BALANCE			<u>\$ 137,912</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 9,306	14,799	14,798	(1)
Total Revenues	<u>9,306</u>	<u>14,799</u>	<u>14,798</u>	<u>(1)</u>
EXPENDITURES				
Current:				
Instruction	9,306	14,799	-	14,799
Total Expenditures	<u>9,306</u>	<u>14,799</u>	<u>-</u>	<u>14,799</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>14,798</u>	<u>14,798</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>14,798</u>	<u>14,798</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>14,798</u>	<u>14,798</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ 14,798	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 14,798</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Taos Academy
 Schedule of Budgetary Comparisons - Budgetary Basis
 Food Services 21000
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ -	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES				
Current:				
Food Services Operations	191	191	-	191
Total Expenditures	<u>191</u>	<u>191</u>	<u>-</u>	<u>191</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(191)</u>	<u>(191)</u>	<u>-</u>	<u>191</u>
Other Financing Sources (Uses):				
Designated Cash	191	191	-	(191)
Total Other Financing Sources (Uses):	<u>191</u>	<u>191</u>	<u>-</u>	<u>(191)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>191</u>	<u>191</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>191</u>	<u>191</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Title I IASA 24101
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 40,343	40,343	56,134	15,791
Total Revenues	<u>40,343</u>	<u>40,343</u>	<u>56,134</u>	<u>15,791</u>
EXPENDITURES				
Current:				
Instruction	40,343	40,343	40,343	-
Total Expenditures	<u>40,343</u>	<u>40,343</u>	<u>40,343</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>15,791</u>	<u>15,791</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>15,791</u>	<u>15,791</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>15,791</u>	<u>15,791</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 15,791	
Adjustments to Revenues			(15,791)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Academy
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Entitlement 24106
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ -	37,995	58,278	20,283
Total Revenues	<u>-</u>	<u>37,995</u>	<u>58,278</u>	<u>20,283</u>
EXPENDITURES				
Current:				
Support Services:				
Students	-	37,995	36,231	1,764
Total Expenditures	<u>-</u>	<u>37,995</u>	<u>36,231</u>	<u>1,764</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>22,047</u>	<u>22,047</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>22,047</u>	<u>22,047</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>22,047</u>	<u>22,047</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 22,047	
Adjustments to Revenues			(22,047)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Academy
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Risk Pool 24120
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ -	48	367	319
Total Revenues	<u>-</u>	<u>48</u>	<u>367</u>	<u>319</u>
EXPENDITURES				
Current:				
Support Services:				
Students	-	48	48	-
Total expenditures	<u>-</u>	<u>48</u>	<u>48</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>319</u>	<u>319</u>
Net changes in Fund Balances	<u>-</u>	<u>-</u>	<u>319</u>	<u>319</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>319</u>	<u>319</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 319	
Adjustments to Revenues			(319)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Teacher Principal Training 24154
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 9,512	23,268	4,840	(18,428)
Total Revenues	<u>9,512</u>	<u>23,268</u>	<u>4,840</u>	<u>(18,428)</u>
EXPENDITURES				
Current:				
Instruction	9,512	23,268	7,984	15,284
Total expenditures	<u>9,512</u>	<u>23,268</u>	<u>7,984</u>	<u>15,284</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(3,144)	(3,144)
Net changes in Fund Balances	-	-	(3,144)	(3,144)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(3,144)</u>	<u>(3,144)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (3,144)	
Adjustments to Revenues			3,144	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Taos Academy
 Schedule of Budgetary Comparisons - Budgetary Basis
 Medicaid 25153
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ -	-	2,385	2,385
Total Revenues	<u>-</u>	<u>-</u>	<u>2,385</u>	<u>2,385</u>
EXPENDITURES				
Current:				
Support Services:				
Students	3,587	3,587	-	3,587
Total expenditures	<u>3,587</u>	<u>3,587</u>	<u>-</u>	<u>3,587</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(3,587)</u>	<u>(3,587)</u>	<u>2,385</u>	<u>5,972</u>
Other financing sources (uses):				
Designated Cash	3,587	3,587	-	(3,587)
Total other financing sources (uses):	<u>3,587</u>	<u>3,587</u>	<u>-</u>	<u>(3,587)</u>
Net changes in Fund Balances	<u>-</u>	<u>-</u>	<u>2,385</u>	<u>2,385</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>3,587</u>	<u>3,587</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>5,972</u>	<u>5,972</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 2,385	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 2,385</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Intel Foundation 26116
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Local & County Grant	\$ -	568	-	(568)
Total Revenues	<u>-</u>	<u>568</u>	<u>-</u>	<u>(568)</u>
EXPENDITURES				
Current:				
Instruction	-	568	-	568
Total expenditures	<u>-</u>	<u>568</u>	<u>-</u>	<u>568</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>568</u>	<u>568</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>568</u>	<u>568</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Dual Credit Instructional Materials 27103
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	3,308	2,190	(1,118)
Total Revenues	<u>-</u>	<u>3,308</u>	<u>2,190</u>	<u>(1,118)</u>
EXPENDITURES				
Current:				
Instruction	-	3,308	3,308	-
Total Expenditures	<u>-</u>	<u>3,308</u>	<u>3,308</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(1,118)</u>	<u>(1,118)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(1,118)</u>	<u>(1,118)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(1,118)</u>	<u>(1,118)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (1,118)	
Adjustments to Revenues			1,118	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Robotics 27115
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	5,882	-	(5,882)
Total Revenues	<u>-</u>	<u>5,882</u>	<u>-</u>	<u>(5,882)</u>
EXPENDITURES				
Current:				
Instruction	-	5,882	3,679	2,203
Total Expenditures	<u>-</u>	<u>5,882</u>	<u>3,679</u>	<u>2,203</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(3,679)</u>	<u>(3,679)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(3,679)</u>	<u>(3,679)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances (Deficit) - End of Year	<u>\$ -</u>	<u>-</u>	<u>(3,679)</u>	<u>(3,679)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (3,679)	
Adjustments to revenues			3,679	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Academy
Schedule of Budgetary Comparisons - Budgetary Basis
STEM Teacher Initiative 27181
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	12,150	6,173	(5,977)
Total Revenues	<u>-</u>	<u>12,150</u>	<u>6,173</u>	<u>(5,977)</u>
EXPENDITURES				
Current:				
Instruction	-	12,150	12,150	-
Total Expenditures	<u>-</u>	<u>12,150</u>	<u>12,150</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(5,977)</u>	<u>(5,977)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(5,977)</u>	<u>(5,977)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances (Deficit) - End of Year	<u>\$ -</u>	<u>-</u>	<u>(5,977)</u>	<u>(5,977)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (5,977)	
Adjustments to revenues			5,977	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Teacher and School Leader Incentive Pay 27188
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	75,000	-	(75,000)
Total Revenues	<u>-</u>	<u>75,000</u>	<u>-</u>	<u>(75,000)</u>
EXPENDITURES				
Current:				
Instruction	-	75,000	74,999	1
Total Expenditures	<u>-</u>	<u>75,000</u>	<u>74,999</u>	<u>1</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(74,999)</u>	<u>(74,999)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(74,999)</u>	<u>(74,999)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances (Deficit) - End of Year	<u>\$ -</u>	<u>-</u>	<u>(74,999)</u>	<u>(74,999)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (74,999)	
Adjustments to revenues			74,999	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Teacher and School Leader Incentive Pay 27190
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	15,600	-	(15,600)
Total Revenues	<u>-</u>	<u>15,600</u>	<u>-</u>	<u>(15,600)</u>
EXPENDITURES				
Current:				
Instruction	-	11,000	11,000	-
Support Services:				
Students	-	1,000	1,000	-
School Administration	-	3,000	3,000	-
Central Services	-	600	600	-
Total Expenditures	<u>-</u>	<u>15,600</u>	<u>15,600</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(15,600)</u>	<u>(15,600)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(15,600)</u>	<u>(15,600)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances (Deficit) - End of Year	<u>\$ -</u>	<u>-</u>	<u>(15,600)</u>	<u>(15,600)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (15,600)	
Adjustments to revenues			15,600	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Private Direct Grants 29102
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Local & County Grant	\$ -	10,000	10,000	-
Total Revenues	<u>-</u>	<u>10,000</u>	<u>10,000</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	-	10,000	8,345	1,655
Total Expenditures	<u>-</u>	<u>10,000</u>	<u>8,345</u>	<u>1,655</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>1,655</u>	<u>1,655</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>1,655</u>	<u>1,655</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>1,655</u>	<u>1,655</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 1,655	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 1,655</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Bond Building 31100
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	511,468	-	(511,468)
Total Revenues	<u>-</u>	<u>511,468</u>	<u>-</u>	<u>(511,468)</u>
EXPENDITURES				
Capital Outlay	-	511,468	164,193	347,275
Total Expenditures	<u>-</u>	<u>511,468</u>	<u>164,193</u>	<u>347,275</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(164,193)</u>	<u>(164,193)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(164,193)</u>	<u>(164,193)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances (Deficit) - End of Year	<u>\$ -</u>	<u>-</u>	<u>(164,193)</u>	<u>(164,193)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (164,193)	
Adjustments to revenues			164,193	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Academy
Schedule of Budgetary Comparisons - Budgetary Basis
Public School Capital Outlay 31200
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	129,861	30,000	(99,861)
Total Revenues	<u>-</u>	<u>129,861</u>	<u>30,000</u>	<u>(99,861)</u>
EXPENDITURES				
Capital Outlay	-	129,861	129,861	-
Total Expenditures	<u>-</u>	<u>129,861</u>	<u>129,861</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(99,861)	(99,861)
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(99,861)</u>	<u>(99,861)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(99,861)</u>	<u>(99,861)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (99,861)	
Adjustments to Revenues			99,861	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Academy
Schedule of Budgetary Comparisons - Budgetary Basis
SB-9 Capital Improvements 31700
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Property Taxes	\$ -	32,222	32,222	-
State Grant	-	5,172	-	(5,172)
Total Revenues	<u>-</u>	<u>37,394</u>	<u>32,222</u>	<u>(5,172)</u>
EXPENDITURES				
Capital Outlay	-	93,624	10,963	82,661
Total Expenditures	<u>-</u>	<u>93,624</u>	<u>10,963</u>	<u>82,661</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>(56,230)</u>	<u>21,259</u>	<u>77,489</u>
Other financing sources (uses):				
Designated Cash	-	56,230	-	(56,230)
Total other financing sources (uses):	<u>-</u>	<u>56,230</u>	<u>-</u>	<u>(56,230)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>21,259</u>	<u>21,259</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>56,230</u>	<u>56,230</u>
Cash or Fund Balances (Deficit) - End of Year	<u>\$ -</u>	<u>-</u>	<u>77,489</u>	<u>77,489</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 21,259	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 21,259</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Academy
Schedule of Collateral Pledged by Depository for Public Funds
June 30, 2015

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2015</u>
Peoples Bank	FHR 4077 MA	3137ASBZ6	8/15/2040	\$ 36,431
Peoples Bank	FHLMC 20YR	3128CUPM2	9/1/2025	64,519
Peoples Bank	FHR 3560 KP	31398JHY2	11/15/2036	24,001
				\$ 124,951

Total Cash in Bank per Schedule of Cash Accounts:	\$ 389,148
Less: FDIC coverage:	(250,000)
Uninsured Public Funds:	139,148
Collateral Requirement:	69,574
Pledged Collateral Held by Pledging Financial Institution:	124,951
Balance Over Collateralized:	\$ 55,377
Balance Uninsured and Uncollateralized at June 30, 2015:	\$ 14,197

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Taos Academy
 Schedule of Cash Accounts
 June 30, 2015

<u>Bank Account Type</u>	<u>Peoples Bank</u>
Checking - Operational Account	\$ 383,310
Checking - Activity Account	5,838
<i>Total on Deposit</i>	389,148
Reconciling Items	(27,454)
Reconciled Balance June 30, 2015	361,694
Less Agency Funds	(5,838)
<i>Total Cash</i>	\$ 355,856

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Academy
Cash Reconciliation
June 30, 2015

	Operational 11000	Instructional Materials 14000	Food Services 21000	Non-Instruct. Fund 23000
Cash, June 30, 2014	\$ 403,008	-	191	81
Add:				
2014-15 revenues	<u>2,032,140</u>	<u>14,798</u>	<u>-</u>	<u>13,503</u>
Total Cash Available	2,435,148	14,798	191	13,584
Less:				
2014-15 expenditures	(1,892,739)	-	-	(7,746)
Receivables/Payables	41,755	-	-	-
Outstanding Loans	<u>(329,055)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash June 30, 2015	<u>255,109</u>	<u>14,798</u>	<u>191</u>	<u>5,838</u>
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	-	-	-	-
Cash Per Books	<u>255,109</u>	<u>14,798</u>	<u>191</u>	<u>5,838</u>
Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	<u>290,322</u>	<u>-</u>	<u>-</u>	<u>(5,838)</u>
Fund Balance, Modified Accrual Basis	<u>\$ 545,431</u>	<u>14,798</u>	<u>191</u>	<u>-</u>

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

Federal Projects Account 24000	Federal Direct Account Grants 25000	Local Grants 26000	State Flow Through 27000	Local or State Fund 29000	Bond Building 31100
-	3,587	568	-	74	-
<u>119,619</u>	<u>2,385</u>	<u>-</u>	<u>8,363</u>	<u>10,000</u>	<u>-</u>
119,619	5,972	568	8,363	10,074	-
(84,606)	-	-	(109,736)	(8,345)	(164,193)
-	-	-	1,359	-	-
<u>(35,013)</u>	<u>-</u>	<u>-</u>	<u>100,014</u>	<u>-</u>	<u>164,193</u>
<u>-</u>	<u>5,972</u>	<u>568</u>	<u>-</u>	<u>1,729</u>	<u>-</u>
-	-	-	-	-	-
<u>-</u>	<u>5,972</u>	<u>568</u>	<u>-</u>	<u>1,729</u>	<u>-</u>
-	-	-	-	-	-
<u>-</u>	<u>5,972</u>	<u>568</u>	<u>-</u>	<u>1,729</u>	<u>-</u>

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STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Academy
Cash Reconciliation - (Continued)
June 30, 2015

	Public School Capital Outlay <u>31200</u>	SB-9 Capital Improvements <u>31700</u>	<u>Total</u>
Cash, June 30, 2014	\$ -	56,230	463,739
Add:			
2014-15 revenues	<u>30,000</u>	<u>32,222</u>	<u>2,263,030</u>
Total Cash Available	30,000	88,452	2,726,769
Less:			
2014-15 expenditures	(129,861)	(10,963)	(2,408,189)
Receivables/Payables	-	-	43,114
Outstanding Loans	<u>99,861</u>	<u>-</u>	<u>-</u>
Cash June 30, 2015	<u>-</u>	<u>77,489</u>	<u>361,694</u>
Fund Balance Reconciliations to GAAP Basis:			
Audit reclassifications to cash	<u>-</u>	<u>-</u>	<u>-</u>
Cash Per Books	<u>-</u>	<u>77,489</u>	<u>361,694</u>
		Less - Agency Fund:	<u>(5,838)</u>
			<u>\$ 355,856</u>
Fund Balance Reconciliation to GAAP Basis:			
Modified Accrual Adjustments	<u>-</u>	<u>-</u>	<u>284,484</u>
Fund Balance, Modified Accrual Basis	<u>\$ -</u>	<u>77,489</u>	<u>646,178</u>

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Integrated School of the Arts
Statement of Net Position
June 30, 2015

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 495,411
Receivables	
Due from Other Governments	194,494
Deposits	21,000
Total Current Assets	<u>710,905</u>

Noncurrent Assets:

Capital Assets	
Furniture, Fixtures, and Equipment	93,443
Less: Accumulated Depreciation	<u>(14,799)</u>
Total Noncurrent Assets	<u>78,644</u>

Total Assets	<u>789,549</u>
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Deferred Outflows - Pension Related	<u>87,470</u>
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LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accrued Liabilities	<u>68,292</u>
Total Current Liabilities	<u>68,292</u>

Noncurrent Liabilities:

Net Pension Liability	<u>977,384</u>
Total Noncurrent Liabilities	<u>977,384</u>

Total Liabilities	<u>1,045,676</u>
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Deferred Inflows - Pension Related	<u>103,412</u>
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NET POSITION

Investment in Capital Assets	78,644
Restricted	148,040
Unrestricted Deficit	<u>(498,753)</u>
Total Net Position	<u>\$ (272,069)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Integrated School of the Arts
Statement of Activities
For The Year Ended June 30, 2015

Functions/Programs	Program Revenues				Net (Expenses) Revenues and Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 729,210	13,408	128,156	-	(587,646)
Support Services:					
Students	57,048	-	-	-	(57,048)
General Administration	30,161	-	-	-	(30,161)
School Administration	147,926	-	-	-	(147,926)
Central Services	110,357	-	-	-	(110,357)
Operation & Maintenance of Plant	172,183	-	-	-	(172,183)
Community Services Operations	8,232	-	-	-	(8,232)
Facilities Materials, Supplies & Other Services	121,072	-	-	122,832	1,760
Total Governmental Activities	\$ 1,376,189	13,408	128,156	122,832	(1,111,793)
General Revenues:					
Property Taxes					\$ 27,899
State Equalization Guarantee					1,065,898
Total General Revenues					<u>1,093,797</u>
Change in Net Position					<u>(17,996)</u>
Net Position, Beginning					740,231
Restatement Recognized by GASB 68					<u>(994,304)</u>
Net position, as restated					<u>(254,073)</u>
Net position, Ending					<u>\$ (272,069)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Integrated School of the Arts
Balance Sheets - Governmental Funds
June 30, 2015

	Operational 11000	Instructional Materials 14000	Title I IASA 24101	IDEA-B Entitlement 24106
ASSETS				
Cash and Cash Equivalents	\$ 368,371	22,674	-	-
Accounts Receivable				
Due from Government	-	-	18,281	26,216
Due from Other Funds	193,598	-	-	-
Deposits	12,000	-	-	-
Total Assets	\$ 573,969	22,674	18,281	26,216
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accrued Expenditures	\$ 67,396	-	896	-
Due to Other Funds	-	-	17,385	26,216
Total Liabilities	67,396	-	18,281	26,216
Fund Balances				
Fund Balance:				
Nonspendable:				
Deposits	12,000	-	-	-
Restricted for:				
Instruction	-	22,674	-	-
Capital Improvements	-	-	-	-
Assigned to:				
Subsequent Years Expenditures and Other Programs	494,573	-	-	-
Total Fund Balance	506,573	22,674	-	-
Total Liabilities and Fund Balances	\$ 573,969	22,674	18,281	26,216

The accompanying notes are an integral part of these financial statements

IDEA -B Risk Pool 24120	Teacher Principal Training 24154	Medicaid 25153	New Mexico Reads to Leads 27114	Public Schools Capital Outlay 31200	SB-9 Capital Improvements 31700	Total
-	-	2,189	-	-	102,177	495,411
46	2,449	-	24,670	122,832	-	194,494
-	-	-	-	-	-	193,598
-	-	-	-	9,000	-	21,000
<u>46</u>	<u>2,449</u>	<u>2,189</u>	<u>24,670</u>	<u>131,832</u>	<u>102,177</u>	<u>904,503</u>
-	-	-	-	-	-	68,292
<u>46</u>	<u>2,449</u>	<u>-</u>	<u>24,670</u>	<u>122,832</u>	<u>-</u>	<u>193,598</u>
<u>46</u>	<u>2,449</u>	<u>-</u>	<u>24,670</u>	<u>122,832</u>	<u>-</u>	<u>261,890</u>
-	-	-	-	9,000	-	21,000
-	-	2,189	-	-	-	24,863
-	-	-	-	-	102,177	102,177
-	-	-	-	-	-	494,573
-	-	2,189	-	9,000	102,177	642,613
<u>46</u>	<u>2,449</u>	<u>2,189</u>	<u>24,670</u>	<u>131,832</u>	<u>102,177</u>	<u>904,503</u>

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STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Integrated School of the Arts
Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
June 30, 2015

Fund Balance - Total Governmental Funds **\$ 642,613**

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

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

Capital Assets	93,443	
Accumulated Depreciation	<u>(14,799)</u>	78,644

Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds.		87,470
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Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds.		(103,412)
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The net pension liability is not due and payable in the current period and, therefore, is not reported in the funds.		<u>(977,384)</u>
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Net Position-Total Governmental Activities		<u><u>\$ (272,069)</u></u>
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The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Integrated School of the Arts
Statement of Revenues, Expenditures, and Changes In Fund Balances
Governmental Funds
For The Year Ended June 30, 2015

	Operational 11000	Instructional Materials 14000	Title I IASA 24101	IDEA-B Entitlement 24106
REVENUES				
Property Taxes	\$ -	-	-	-
Local & County Grant	17,022	-	-	-
State Grant	1,065,898	11,953	-	-
Federal Grant	-	-	18,281	26,216
Charges for Services	13,408	-	-	-
Total Revenues	<u>1,096,328</u>	<u>11,953</u>	<u>18,281</u>	<u>26,216</u>
EXPENDITURES				
Current:				
Instruction	646,295	13,163	18,281	-
Support Services:				
Students	30,786	-	-	26,216
General Administration	30,161	-	-	-
School Administration	147,926	-	-	-
Central Services	110,357	-	-	-
Operation & Maintenance of Plant	167,629	-	-	-
Community Services Operations	8,232	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>1,141,386</u>	<u>13,163</u>	<u>18,281</u>	<u>26,216</u>
Net Changes in Fund Balances	<u>(45,058)</u>	<u>(1,210)</u>	<u>-</u>	<u>-</u>
Fund Balances - Beginning of Year	<u>551,631</u>	<u>23,884</u>	<u>-</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ 506,573</u>	<u>22,674</u>	<u>-</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements

IDEA -B Risk Pool 24120	Teacher Principal Training 24154	Medicaid 25153	New Mexico Reads to Leads 27114	Public Schools Capital Outlay 31200	SB-9 Capital Improvements 31700	Total
-	-	-	-	-	27,899	27,899
-	-	-	-	-	-	17,022
-	-	-	50,000	122,832	-	1,250,683
46	2,449	2,189	-	-	-	49,181
-	-	-	-	-	-	13,408
46	2,449	2,189	50,000	122,832	27,899	1,358,193
-	2,449	-	50,000	-	-	730,188
46	-	-	-	-	-	57,048
-	-	-	-	-	-	30,161
-	-	-	-	-	-	147,926
-	-	-	-	-	-	110,357
-	-	-	-	-	-	167,629
-	-	-	-	-	-	8,232
-	-	-	-	113,832	7,240	121,072
46	2,449	-	50,000	113,832	7,240	1,372,613
-	-	2,189	-	9,000	20,659	(14,420)
-	-	-	-	-	81,518	657,033
-	-	2,189	-	9,000	102,177	642,613

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 of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2015

Net Change in Fund Balance-Total Governmental Funds	\$ (14,420)
<p>Amounts reported for governmental activities in the Statement of Activities are different because:</p>	
<p>Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the Statement of Net Position and allocated over their estimated useful lives as annual depreciation expenses in the Statement of Activities. This is the amount by which capital outlay exceeds depreciation for the period</p>	
Depreciation Expense	(4,554)
<p>Changes in long-term liabilities</p>	
Change in Net Pension Liability	<u>978</u>
Change in Net Position-Total Governmental Activities	<u><u>\$ (17,996)</u></u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Taos Integrated School of the Arts
 Statement of Fiduciary Assets and Liabilities- Agency Funds
 June 30, 2015

	<u>Agency</u>
ASSETS	
Cash in Bank	\$ 5,550
Total Assets	<u>\$ 5,550</u>
LIABILITIES	
Deposits Held for Others	\$ 5,550
Total Liabilities	<u>\$ 5,550</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Taos Integrated School of the Arts
 Schedule of Changes in Assets and Liabilities - Agency Funds
 For The Year Ended June 30, 2015

	<u>Balance</u> <u>July 1, 2014</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2015</u>
ASSETS				
Cash in Bank	\$ 5,592	5,403	(5,445)	5,550
Total Assets	<u>\$ 5,592</u>	<u>5,403</u>	<u>(5,445)</u>	<u>5,550</u>
LIABILITIES				
Deposits Held for Others	\$ 5,592	5,403	(5,445)	5,550
Total Liabilities	<u>\$ 5,592</u>	<u>5,403</u>	<u>(5,445)</u>	<u>5,550</u>

The accompanying notes are an integral part of these financial statements

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Capital Assets. Capital assets purchased or acquired are 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. Taos Integrated School of the Arts capitalization policy (i.e., the dollar value above which the asset acquisitions are added to the capital accounts) is \$5,000. Taos Integrated School of the Arts does not capitalize any interest with regard to its capital assets.

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

Furniture, Fixtures and Equipment	15-20 years
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Capital assets for Taos Integrated School of the Arts are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB's Fiduciary Net Position have been determined on the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Integrated School of the Arts
Notes to the Financial Statements
June 30, 2015

NOTE 2. CAPITAL ASSETS

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

	Balance			Balance
	<u>June 30, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2015</u>
<i>Capital Assets being Depreciated:</i>				
Furniture, Fixtures and Equipment	\$ 93,443	-	-	93,443
<i>Total</i>	<u>93,443</u>	<u>-</u>	<u>-</u>	<u>93,443</u>
<i>Less: Accumulated Depreciation</i>				
Furniture, Fixtures and Equipment	(10,245)	(4,554)	-	(14,799)
<i>Total</i>	<u>(10,245)</u>	<u>(4,554)</u>	<u>-</u>	<u>(14,799)</u>
Capital Assets, Net	<u>\$ 83,198</u>	<u>(4,554)</u>	<u>-</u>	<u>78,644</u>

Depreciation expensed for the year ended June 30, 2015 was expensed to the following functions:

Operation & Maintenance of Plant	\$ 4,554
Total	<u>\$ 4,554</u>

NOTE 3. COMMITMENTS AND LIABILITIES

Taos Integrated School of the Arts leases equipment and facilities under short-term cancelable operating leases. Rental expenses for the year ended June 30, 2015 was \$180,116. Taos Integrated School of the Arts future payments on these leases are as follows:

Year Ending June 30:	
2016	\$ 180,792

NOTE 4. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to Taos Integrated School of the Arts and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions. The contribution requirements of defined benefit plan members and Taos Integrated School of the Arts are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year ended June 30, 2014, employers contributed 13.15% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.10% of their gross annual salary.

For fiscal year ended June 30, 2015 employers contributed 13.90% and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 contributed an increased amount of 10.70% of their gross annual salary. Contributions to the pension plan from Taos Integrated School of the Arts were \$73,500 for the year ended June 30, 2015.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2013. The total ERB pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2014, using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date of June 30, 2014. At June 30, 2015, Taos Integrated School of the Arts reported a liability of \$977,384 for its proportionate share of the net pension liability. Taos Integrated School of the Arts proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2014. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2014, Taos Integrated School of the Arts proportion was 0.01713%, which was an increase of 0.0003% from its proportion measured as of June 30, 2013.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Integrated School of the Arts
Notes to the Financial Statements
June 30, 2015

NOTE 4. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

For the year ended June 30, 2015, Taos Integrated School of the Arts recognized pension expense of \$72,522. At June 30, 2015, Taos Integrated School of the Arts reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 14,560
Net difference between projected and actual earnings on pension plan investments	-	88,852
Changes in proportion and differences between Taos Integrated School of the Arts contributions and proportionate share of contributions	13,970	-
Taos Integrated School of the Arts contributions subsequent to the measurement date	<u>73,500</u>	<u>-</u>
Total	<u>\$ 87,470</u>	<u>103,412</u>

The amount of \$73,500 reported as deferred outflows of resources related to pensions resulting from Taos Integrated School of the Arts contributions subsequent to the measurement date of June 30, 2014 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2016	\$ 22,416
2017	22,416
2018	22,392
2019	<u>22,218</u>
Total	<u>\$ 89,442</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Taos Integrated School of the Arts
 Notes to the Financial Statements
 June 30, 2015

NOTE 4. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Sensitivity of Taos Integrated School of the Arts proportionate share of the net pension liability to changes in the discount rate. The following table shows the sensitivity of the net pension liability to changes in the discount rate as of June 30, 2014. In particular, the table presents the (employer’s) net pension liability under the current single rate assumption, as if it were calculated using a discount rate one percentage point lower (6.75%) or one percentage point higher (8.75%) than the single discount rate.

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
The School’s proportionate share of the net pension liability	<u>\$ 1,329,845</u>	<u>977,384</u>	<u>683,010</u>

Payables to the pension plan. At June 30, 2015, Taos Integrated School of the Arts owed \$18,003 to ERB for fiscal year 2015 contributions.

NOTE 5. RESTATEMENT

As a result of implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, net position at June 30, 2014 was restated in the amount of ~~\$(994,304)~~.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
TAOS INTEGRATED SCHOOL OF THE ARTS
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2015

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.02%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 977	-	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 472	-	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	206.99%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30, 2014

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
TAOS INTEGRATED SCHOOL OF THE ARTS
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2015

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 62	-	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	62	-	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ -	-	-	-	-	-	-	-	-	-

Year	Total Amount Deferred	Amortization Years	Increase (Decrease) in Pension Expense over Recognition Periods											
			2015	2016	2017	2018	2019	2020	2021	2022	2023	2024		
2014	\$ 89	5	\$ 23	22	22	22	22	-	-	-	-	-	-	-
2015	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2016	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2017	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2018	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2019	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2020	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2021	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2022	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2023	-	5	-	-	-	-	-	-	-	-	-	-	-	-
	\$ 89		\$ 23	22	22	22	22	22	-	-	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Integrated School of the Arts
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Local & County Grant	\$ -	-	17,022	17,022
State Grant	1,080,127	1,065,899	1,065,898	(1)
Charges for Services	8,965	8,965	13,408	4,443
Total Revenues	1,089,092	1,074,864	1,096,328	21,464
EXPENDITURES				
Current:				
Instruction	671,616	768,525	646,295	122,230
Support Services:				
Students	53,550	68,150	30,786	37,364
Instruction	4,000	4,000	-	4,000
General Administration	20,500	29,700	30,161	(461)
School Administration	150,662	156,641	147,926	8,715
Central Services	92,650	118,800	110,357	8,443
Operation & Maintenance of Plant	150,010	466,605	173,629	292,976
Community Services Operations	8,965	10,776	8,232	2,544
Total Expenditures	1,151,953	1,623,197	1,147,386	475,811
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	(62,861)	(548,333)	(51,058)	497,275
Other Financing Sources (Uses):				
Designated Cash	62,861	548,333	-	(548,333)
Total Other Financing Sources (Uses):	62,861	548,333	-	(548,333)
Net Changes in Fund Balances	-	-	(51,058)	(51,058)
Cash or Fund Balances - Beginning of Year	-	-	551,631	551,631
Cash or Fund Balances - End of Year	\$ -	-	500,573	500,573
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (51,058)	
Adjustments to Revenues			-	
Adjustments to Expenditures			6,000	
NET CHANGE IN FUND BALANCE			\$ (45,058)	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Integrated School of the Arts
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 8,599	11,952	11,953	1
Total Revenues	<u>8,599</u>	<u>11,952</u>	<u>11,953</u>	<u>1</u>
EXPENDITURES				
Current:				
Instruction	8,599	35,836	13,163	22,673
Total Expenditures	<u>8,599</u>	<u>35,836</u>	<u>13,163</u>	<u>22,673</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>(23,884)</u>	<u>(1,210)</u>	<u>22,674</u>
Other Financing Sources (Uses):				
Designated Cash	-	23,884	-	(23,884)
Total Other Financing Sources (Uses):	<u>-</u>	<u>23,884</u>	<u>-</u>	<u>(23,884)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(1,210)</u>	<u>(1,210)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>23,884</u>	<u>23,884</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>22,674</u>	<u>22,674</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (1,210)	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (1,210)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Taos Integrated School of the Arts
 Schedule of Budgetary Comparisons - Budgetary Basis
 Title I IASA 24101
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 36,445	61,561	30,065	(31,496)
Total Revenues	<u>36,445</u>	<u>61,561</u>	<u>30,065</u>	<u>(31,496)</u>
EXPENDITURES				
Current:				
Instruction	36,445	61,561	18,281	43,280
Total Expenditures	<u>36,445</u>	<u>61,561</u>	<u>18,281</u>	<u>43,280</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	11,784	11,784
Net Changes in Fund Balances	-	-	11,784	11,784
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>11,784</u>	<u>11,784</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 11,784	
Adjustments to Revenues			(11,784)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Integrated School of the Arts
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Entitlement 24106
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 30,353	38,076	2,400	(35,676)
Total Revenues	<u>30,353</u>	<u>38,076</u>	<u>2,400</u>	<u>(35,676)</u>
EXPENDITURES				
Current:				
Support Services:				
Students	30,353	38,076	26,216	11,860
Total Expenditures	<u>30,353</u>	<u>38,076</u>	<u>26,216</u>	<u>11,860</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(23,816)</u>	<u>(23,816)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(23,816)</u>	<u>(23,816)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(23,816)</u>	<u>(23,816)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (23,816)	
Adjustments to Revenues			23,816	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Integrated School of the Arts
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Risk Pool 24120
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ -	46	-	(46)
Total Revenues	<u>-</u>	<u>46</u>	<u>-</u>	<u>(46)</u>
EXPENDITURES				
Current:				
Support Services:				
Students	-	46	46	-
Total expenditures	<u>-</u>	<u>46</u>	<u>46</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(46)</u>	<u>(46)</u>
Net changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(46)</u>	<u>(46)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances (Deficit) - End of Year	<u>\$ -</u>	<u>-</u>	<u>(46)</u>	<u>(46)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ (46)	
Adjustments to Revenues			46	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Taos Integrated School of the Arts
 Schedule of Budgetary Comparisons - Budgetary Basis
 Teacher Principal Training 24154
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 8,705	20,577	4,382	(16,195)
Total Revenues	<u>8,705</u>	<u>20,577</u>	<u>4,382</u>	<u>(16,195)</u>
EXPENDITURES				
Current:				
Instruction	8,705	20,577	2,449	18,128
Total expenditures	<u>8,705</u>	<u>20,577</u>	<u>2,449</u>	<u>18,128</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>1,933</u>	<u>1,933</u>
Net changes in Fund Balances	<u>-</u>	<u>-</u>	<u>1,933</u>	<u>1,933</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>1,933</u>	<u>1,933</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 1,933	
Adjustments to Revenues			(1,933)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Taos Integrated School of the Arts
 Schedule of Budgetary Comparisons - Budgetary Basis
 Medicaid 25153
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ -	1,749	2,189	440
Total Revenues	<u>-</u>	<u>1,749</u>	<u>2,189</u>	<u>440</u>
EXPENDITURES				
Current:				
Support Services:				
Students	-	1,749	-	1,749
Total expenditures	<u>-</u>	<u>1,749</u>	<u>-</u>	<u>1,749</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>2,189</u>	<u>2,189</u>
Net changes in Fund Balances	<u>-</u>	<u>-</u>	<u>2,189</u>	<u>2,189</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>2,189</u>	<u>2,189</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 2,189	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 2,189</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Integrated School of the Arts
Schedule of Budgetary Comparisons - Budgetary Basis
New Mexico Reads to Leads 27114
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	50,000	42,101	(7,899)
Total Revenues	<u>-</u>	<u>50,000</u>	<u>42,101</u>	<u>(7,899)</u>
EXPENDITURES				
Current:				
Instruction	-	50,000	50,000	-
Total Expenditures	<u>-</u>	<u>50,000</u>	<u>50,000</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(7,899)</u>	<u>(7,899)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(7,899)</u>	<u>(7,899)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances (Deficit) - End of Year	<u>\$ -</u>	<u>-</u>	<u>(7,899)</u>	<u>(7,899)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (7,899)	
Adjustments to revenues			7,899	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Taos Integrated School of the Arts
 Schedule of Budgetary Comparisons - Budgetary Basis
 Public School Capital Outlay 31200
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	122,832	26,268	(96,564)
Total Revenues	<u>-</u>	<u>122,832</u>	<u>26,268</u>	<u>(96,564)</u>
EXPENDITURES				
Capital Outlay	-	122,832	122,832	-
Total Expenditures	<u>-</u>	<u>122,832</u>	<u>122,832</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(96,564)	(96,564)
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(96,564)</u>	<u>(96,564)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(96,564)</u>	<u>(96,564)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (96,564)	
Adjustments to Revenues			96,564	
Adjustments to Expenditures			9,000	
NET CHANGE IN FUND BALANCE			<u>\$ 9,000</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Taos Integrated School of the Arts
 Schedule of Budgetary Comparisons - Budgetary Basis
 SB-9 Capital Improvements 31700
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Property Taxes	\$ 7,960	7,960	27,899	19,939
State Grant	-	4,178	-	(4,178)
Total Revenues	<u>7,960</u>	<u>12,138</u>	<u>27,899</u>	<u>15,761</u>
EXPENDITURES				
Capital Outlay	7,960	87,823	7,240	80,583
Total Expenditures	<u>7,960</u>	<u>87,823</u>	<u>7,240</u>	<u>80,583</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>(75,685)</u>	<u>20,659</u>	<u>96,344</u>
Other financing sources (uses):				
Designated Cash	-	75,685	-	(75,685)
Total other financing sources (uses):	<u>-</u>	<u>75,685</u>	<u>-</u>	<u>(75,685)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>20,659</u>	<u>20,659</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>81,518</u>	<u>81,518</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>102,177</u>	<u>102,177</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 20,659	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 20,659</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Integrated School of the Arts
Schedule of Collateral Pledged by Depository for Public Funds
June 30, 2015

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2015</u>
Peoples Bank	FHR 4077 MA	3137ASBZ6	8/15/2040	\$ 72,861
Peoples Bank	FHLMC 20YR	3133HVE0	1/1/2023	75,196
Peoples Bank	FHLMC OTHER	3132G5AS8	5/1/2028	74,147
				\$ 222,204

Total Cash in Bank per Schedule of Cash Accounts:	\$ 517,073
Less: FDIC coverage:	(250,000)
Uninsured Public Funds:	267,073
Collateral Requirement:	133,537
Pledged Collateral Held by Pledging Financial Institution:	222,204
Balance Over Collateralized:	\$ 88,667
Balance Uninsured and Uncollateralized at June 30, 2015:	\$ 44,869

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Taos Integrated School of the Arts
 Schedule of Cash Accounts
 June 30, 2015

<u>Bank Account Type</u>	<u>Peoples Bank</u>
Checking - Operational Account	\$ 511,523
Checking - Activity Account	<u>5,550</u>
<i>Total on Deposit</i>	517,073
Reconciling Items	<u>(16,112)</u>
Reconciled Balance June 30, 2015	<u>500,961</u>
Less Agency Funds	<u>(5,550)</u>
<i>Total Cash</i>	<u><u>\$ 495,411</u></u>

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos Integrated School of the Arts
Cash Reconciliation
June 30, 2015

	Operational 11000	Instructional Materials 14000	Non-Instruct. Fund 23000	Federal Projects Account 24000
Cash, June 30, 2014	\$ 511,737	23,884	5,592	-
Add:				
2014-15 revenues	<u>1,096,328</u>	<u>11,953</u>	<u>5,403</u>	<u>36,847</u>
Total Cash Available	1,608,065	35,837	10,995	36,847
Less:				
2014-15 expenditures	(1,147,386)	(13,163)	(5,445)	(46,992)
Receivables/Payables	21,404	-	-	896
Outstanding Loans	<u>(113,712)</u>	<u>-</u>	<u>-</u>	<u>9,249</u>
Cash June 30, 2015	<u>368,371</u>	<u>22,674</u>	<u>5,550</u>	<u>-</u>
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	-	-	-	-
Cash Per Books	<u>368,371</u>	<u>22,674</u>	<u>5,550</u>	<u>-</u>
Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	<u>138,202</u>	<u>-</u>	<u>(5,550)</u>	<u>-</u>
Fund Balance, Modified Accrual Basis	<u>\$ 506,573</u>	<u>22,674</u>	<u>-</u>	<u>-</u>

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

Federal Direct Account Grants 25000	State Flow Through 27000	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Total
-	-	-	81,518	622,731
<u>2,189</u>	<u>42,101</u>	<u>26,268</u>	<u>27,899</u>	<u>1,248,988</u>
2,189	42,101	26,268	109,417	1,871,719
-	(50,000)	(122,832)	(7,240)	(1,393,058)
-	-	-	-	22,300
-	7,899	96,564	-	-
<u>2,189</u>	<u>-</u>	<u>-</u>	<u>102,177</u>	<u>500,961</u>
-	-	-	-	-
<u>2,189</u>	<u>-</u>	<u>-</u>	<u>102,177</u>	<u>500,961</u>
			Less - Agency Fund:	<u>(5,550)</u>
				<u>\$ 495,411</u>
-	-	9,000	-	141,652
<u>2,189</u>	<u>-</u>	<u>9,000</u>	<u>102,177</u>	<u>642,613</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos International Charter School
Statement of Net Position
June 30, 2015

ASSETS

Current Assets:

Cash and Cash Equivalents	\$ 47,253
Receivables	
Due from Other Governments	31,884
Deposits	4,000
Prepaid Expenditures	<u>17,280</u>
Total Assets	<u>100,417</u>

LIABILITIES

Current Liabilities:

Accounts Payable	5,252
Accrued Liabilities	<u>55,769</u>
Total Liabilities	<u>61,021</u>

NET POSITION

Restricted	21,280
Unrestricted	<u>18,116</u>
Total Net Position	<u>\$ 39,396</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos International Charter School
Statement of Activities
For The Year Ended June 30, 2015

Functions/Programs	Program Revenues				Net (Expenses) Revenues and Changes in Net Position
	Expenses	Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 317,961	-	72,379	-	(245,582)
Support Services:					
Students	1,189	-	-	-	(1,189)
Instruction	5,223	-	-	-	(5,223)
General Administration	7,072	-	-	-	(7,072)
School Administration	165,851	-	1,557	-	(164,294)
Central Services	81,365	-	-	-	(81,365)
Operation & Maintenance of Plant	53,290	-	-	-	(53,290)
Facilities Materials, Supplies & Other Services	88,680	-	-	88,680	-
Total Governmental Activities	\$ 720,631	-	73,936	88,680	(558,015)
General Revenues:					
State Equalization Guarantee					\$ 597,411
Total General Revenues					597,411
Change in Net Position					39,396
Net Position, Beginning					-
Net position, Ending					\$ 39,396

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos International Charter School
Balance Sheets - Governmental Funds
June 30, 2015

	Operational 11000	Instructional Materials 14000	Title I IASA 24101	IDEA-B Entitlement 24106
ASSETS				
Cash and Cash Equivalents	\$ 47,253	-	-	-
Accounts Receivable				
Due from Government	-	-	-	3,515
Due from Other Funds	26,213	-	-	-
Deposits	4,000	-	-	-
Prepaid Expenditures	17,280	-	-	-
Total Assets	\$ 94,746	-	-	3,515
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 5,252	-	-	-
Accrued Expenditures	50,098	-	-	1,823
Due to Other Funds	-	-	-	1,692
Total Liabilities	55,350	-	-	3,515
Fund Balances				
Fund Balance:				
Nonspendable:				
Deposits	4,000	-	-	-
Prepaid Expenditures	17,280	-	-	-
Assigned to:				
Subsequent Years Expenditures and Other Programs	18,116	-	-	-
Total Fund Balance	39,396	-	-	-
Total Liabilities and Fund Balances	\$ 94,746	-	-	3,515

The accompanying notes are an integral part of these financial statements

IDEA-B Risk Pool 24120	Title II 24154	Reads to Lead 27114	Public School Capital Outlay 31200	Total
-	-	-	-	47,253
15	68	6,116	22,170	31,884
-	-	-	-	26,213
-	-	-	-	4,000
-	-	-	-	17,280
<u>15</u>	<u>68</u>	<u>6,116</u>	<u>22,170</u>	<u>126,630</u>
-	-	-	-	5,252
-	-	3,848	-	55,769
15	68	2,268	22,170	26,213
<u>15</u>	<u>68</u>	<u>6,116</u>	<u>22,170</u>	<u>87,234</u>
-	-	-	-	4,000
-	-	-	-	17,280
-	-	-	-	18,116
-	-	-	-	39,396
<u>15</u>	<u>68</u>	<u>6,116</u>	<u>22,170</u>	<u>126,630</u>

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STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos International Charter School
Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
June 30, 2015

Fund Balances - Total Governmental Funds	<u>\$ 39,396</u>
Net Position-Total Governmental Activities	<u><u>\$ 39,396</u></u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos International Charter School
Statement of Revenues, Expenditures, and Changes In Fund Balances
Governmental Funds
For The Year Ended June 30, 2015

	Operational 11000	Instructional Materials 14000	Title I IASA 24101	IDEA-B Entitlement 24106
REVENUES				
State Grant	\$ 597,411	4,269	-	-
Federal Grant	-	-	4,789	12,895
Total Revenues	<u>597,411</u>	<u>4,269</u>	<u>4,789</u>	<u>12,895</u>
EXPENDITURES				
Current:				
Instruction	245,582	4,269	3,707	12,895
Support Services:				
Students	1,189	-	-	-
Instruction	5,223	-	-	-
General Administration	7,072	-	-	-
School Administration	164,294	-	1,082	-
Central Services	81,365	-	-	-
Operation & Maintenance of Plant	53,290	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>558,015</u>	<u>4,269</u>	<u>4,789</u>	<u>12,895</u>
Net Changes in Fund Balances	<u>39,396</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ 39,396</u>	<u>-</u>	<u>-</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements

IDEA-B Risk Pool 24120	Title II 24154	Reads to Lead 27114	Public School Capital Outlay 31200	Total
-	-	50,000	88,680	740,360
15	1,968	-	-	19,667
<u>15</u>	<u>1,968</u>	<u>50,000</u>	<u>88,680</u>	<u>760,027</u>
15	1,493	50,000	-	317,961
-	-	-	-	1,189
-	-	-	-	5,223
-	-	-	-	7,072
-	475	-	-	165,851
-	-	-	-	81,365
-	-	-	-	53,290
-	-	-	88,680	88,680
<u>15</u>	<u>1,968</u>	<u>50,000</u>	<u>88,680</u>	<u>720,631</u>
-	-	-	-	39,396
-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>39,396</u>

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos International Charter School
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2015**

Net Change in Fund Balances-Total Governmental Funds **\$ 39,396**

Change in Net Position-Total Governmental Activities **\$ 39,396**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos International Charter School
Statement of Fiduciary Assets and Liabilities- Agency Funds
June 30, 2015

	<u>Funds</u>
ASSETS	
Cash in Bank	<u>\$ 2,637</u>
Total Assets	<u><u>\$ 2,637</u></u>
LIABILITIES	
Deposits Held for Others	<u>\$ 2,637</u>
Total Liabilities	<u><u>\$ 2,637</u></u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Taos International Charter School
 Schedule of Changes in Assets and Liabilities - Agency Funds
 For The Year Ended June 30, 2015

	<u>Balance July 1, 2014</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2015</u>
ASSETS				
Cash in Bank	\$ -	8,198	(5,561)	2,637
Total Assets	<u>\$ -</u>	<u>8,198</u>	<u>(5,561)</u>	<u>2,637</u>
LIABILITIES				
Deposits Held for Others	\$ -	8,198	(5,561)	2,637
Total Liabilities	<u>\$ -</u>	<u>8,198</u>	<u>(5,561)</u>	<u>2,637</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos International Charter School
Notes to the Financial Statements
June 30, 2015

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Capital Assets. Capital assets purchased or acquired are 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. Taos International Charter School's capitalization policy (i.e., the dollar value above which the asset acquisitions are added to the capital accounts) is \$5,000. The Taos International Charter School does not capitalize any interest with regard to its capital assets. The Taos International Charter School had no capital assets as of June 30, 2015.

NOTE 2. COMMITMENTS AND LIABILITIES

The Taos International Charter School leased facilities under long-term cancelable operating leases. Rental expenses for the year ended June 30, 2015 was \$88,680. The Taos International Charter School's minimum future payments on this lease are as follows:

Year Ending June 30:	
2016	\$ 131,880
2017	142,560
2018	207,360
Total	<u>\$ 481,800</u>

NOTE 3. RELATED PARTY TRANSACTIONS

The business manager services are performed by the Vigil Group, which performed services for multiple state charter schools.

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Taos International Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Operational 11000
 For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 843,470	597,411	597,411	-
Total Revenues	843,470	597,411	597,411	-
EXPENDITURES				
Current:				
Instruction	431,214	253,023	245,582	7,441
Support Services:				
Students	30,200	1,240	1,189	51
Instruction	6,000	5,224	5,223	1
General Administration	9,500	7,073	7,072	1
School Administration	167,843	167,110	164,294	2,816
Central Services	90,020	80,127	76,655	3,472
Operation & Maintenance of Plant	108,693	83,614	74,027	9,587
Total Expenditures	843,470	597,411	574,042	23,369
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	23,369	23,369
Net Changes in Fund Balances	-	-	23,369	23,369
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	23,369	23,369
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 23,369	
Adjustments to Revenues			-	
Adjustments to Expenditures			16,027	
NET CHANGE IN FUND BALANCE			\$ 39,396	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Taos International Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Instructional Materials 14000
 For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 6,136	4,269	4,269	-
Total Revenues	<u>6,136</u>	<u>4,269</u>	<u>4,269</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	6,136	4,269	4,269	-
Total Expenditures	<u>6,136</u>	<u>4,269</u>	<u>4,269</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
Net Changes in Fund Balances	-	-	-	-
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos International Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Title I IASA 24101
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 48,948	9,422	4,789	(4,633)
Total Revenues	48,948	9,422	4,789	(4,633)
EXPENDITURES				
Current:				
Instruction	45,948	6,422	3,707	2,715
Support Services:				
School Administration	3,000	3,000	1,082	1,918
Total Expenditures	48,948	9,422	4,789	4,633
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
Net Changes in Fund Balances	-	-	-	-
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	-	-
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Taos International Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 IDEA-B Entitlement 24106
 For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ -	12,895	9,380	(3,515)
Total Revenues	<u>-</u>	<u>12,895</u>	<u>9,380</u>	<u>(3,515)</u>
EXPENDITURES				
Current:				
Instruction	-	12,895	12,895	-
Total Expenditures	<u>-</u>	<u>12,895</u>	<u>12,895</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(3,515)</u>	<u>(3,515)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(3,515)</u>	<u>(3,515)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(3,515)</u>	<u>(3,515)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (3,515)	
Adjustments to Revenues			3,515	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Taos International Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 IDEA-B Risk Pool 24120
 For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ -	15	-	(15)
Total Revenues	<u>-</u>	<u>15</u>	<u>-</u>	<u>(15)</u>
EXPENDITURES				
Current:				
Instruction	-	15	15	-
Total Expenditures	<u>-</u>	<u>15</u>	<u>15</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(15)</u>	<u>(15)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(15)</u>	<u>(15)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(15)</u>	<u>(15)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (15)	
Adjustments to Revenues			15	
Adjustments to Expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos International Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Title II 24154
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 6,922	1,968	1,900	(68)
Total Revenues	6,922	1,968	1,900	(68)
EXPENDITURES				
Current:				
Instruction	6,922	1,493	1,493	-
Support Services:				
School Administration	-	475	475	-
Total expenditures	6,922	1,968	1,968	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(68)	(68)
Net changes in Fund Balances	-	-	(68)	(68)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	(68)	(68)
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (68)	
Adjustments to Revenues			68	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Taos International Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Reads to Lead 27114
 For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 50,000	50,000	43,884	(6,116)
Total Revenues	<u>50,000</u>	<u>50,000</u>	<u>43,884</u>	<u>(6,116)</u>
EXPENDITURES				
Current:				
Instruction	50,000	50,000	50,000	-
Total Expenditures	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(6,116)	(6,116)
Net Changes in Fund Balances	-	-	(6,116)	(6,116)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(6,116)</u>	<u>(6,116)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (6,116)	
Adjustments to Revenues			6,116	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Taos International Charter School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Public School Capital Outlay 31200
 For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	88,680	66,510	(22,170)
Total Revenues	<u>-</u>	<u>88,680</u>	<u>66,510</u>	<u>(22,170)</u>
EXPENDITURES				
Capital Outlay	-	88,680	88,680	-
Total Expenditures	<u>-</u>	<u>88,680</u>	<u>88,680</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(22,170)</u>	<u>(22,170)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(22,170)</u>	<u>(22,170)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(22,170)</u>	<u>(22,170)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (22,170)	
Adjustments to Revenues			22,170	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Taos International Charter School
 Schedule of Collateral Pledged by Depository for Public Funds
 June 30, 2015

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2015</u>
N/A	N/A	N/A	N/A	\$ -
				<u>\$ -</u>

Total Cash per Schedule of Cash Accounts:	\$	50,623
Less: FDIC coverage:		<u>(50,623)</u>
Uninsured Public Funds:		-
Collateral Requirement:		-
Pledged Collateral Held by Pledging Financial Institution:		<u>-</u>
Balance Over Collateralized:	\$	<u>-</u>
Balance Uninsured and Uncollateralized at June 30, 2015:	\$	<u>-</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos International Charter School
Schedule of Cash Accounts
June 30, 2015

<u>Bank Account Type</u>	<u>People's Bank</u>
Checking - Operational Account	\$ 50,623
<i>Total on Deposit</i>	50,623
Reconciling Items	<u>(733)</u>
Reconciled Balance June 30, 2015	<u>49,890</u>
Less Agency Funds	<u>(2,637)</u>
<i>Total Cash</i>	<u><u>\$ 47,253</u></u>

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Taos International Charter School
Cash Reconciliation
June 30, 2015

	Operational 11000	Instructional Materials 14000	Non-Instruct. Fund 23000	Federal Projects Account 24000	State Account 27000	Public School Capital Outlay 31200	Total
Cash, June 30, 2014	\$ -	-	-	-	-	-	-
Add:							
2014-15 revenues	597,411	4,269	8,198	16,069	43,884	66,510	736,341
Total Cash Available	597,411	4,269	8,198	16,069	43,884	66,510	736,341
Less:							
2014-15 expenditures	(574,042)	(4,269)	(5,561)	(19,667)	(50,000)	(88,680)	(742,219)
Receivables/Payables	50,097	-	-	1,823	3,848	-	55,768
Outstanding Loans	(26,213)	-	-	1,775	2,268	22,170	-
Cash June 30, 2015	47,253	-	2,637	-	-	-	49,890
Fund Balance Reconciliations to GAAP Basis:							
Audit reclassifications to cash	-	-	-	-	-	-	-
Cash Per Books	47,253	-	2,637	-	-	-	49,890
							Less: Activity Funds Per Schedule of Changes in Assets and Liabilities - Agency Fund:
							(2,637)
							<u>\$ 47,253</u>
Fund Balance Reconciliation to GAAP Basis:							
Modified Accrual Adjustments	(7,857)	-	(2,637)	-	-	-	(10,494)
Fund Balance, Modified Accrual Basis	<u>\$ 39,396</u>	-	-	-	-	-	<u>39,396</u>

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

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 The Learning Community Charter School
 Statement of Net Position
 June 30, 2015

ASSETS

Current Assets:

Cash and Cash Equivalents	\$ 77,093
Total Assets	<u>77,093</u>

LIABILITIES AND DEFERRED INFLOWS

Noncurrent Liability:

Net Pension Liability	<u>1,909,129</u>
Total Noncurrent Liability	<u>1,909,129</u>

Deferred Inflows-Pensions related	<u>404,196</u>
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NET POSITION

Restricted	57,320
Unrestricted	<u>(2,293,552)</u>
Total Net Position	<u>\$ (2,236,232)</u>

The accompanying notes are an integral part of these financial statements

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STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The Learning Community Charter School
Statement of Activities
For The Year Ended June 30, 2015

Functions/Programs	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
	Expenses	Charges for Service	Operating Grants and Contributions	
Governmental activities:				
Instruction	\$ 1,635	-	-	(1,635)
Support Services:				
General Administration	81,751	-	-	(81,751)
Central Services	4,315	-	-	(4,315)
Operation & Maintenance of Plant	10,317	-	-	(10,317)
Other Support Services	52,494	-	-	(52,494)
Facilities Materials, Supplies & Other Services	-	-	-	2,754
Total Governmental Activities	\$ 150,512	-	-	(147,758)
General Revenues:				\$ -
Disbursements (transfers):				
Disbursements to Public Education Department				(263,143)
Disbursements to Albuquerque Public Schools				(310,204)
Net disbursements of capital assets and related debt				(8,526)
Total Transfers				<u>(581,873)</u>
Change in Net Position				(729,631)
Net Position- Beginning				744,775
Restatement Recognized by GASB 68				<u>(2,251,376)</u>
Net Position - Beginning, as Restated				<u>(1,506,601)</u>
Net position, Ending				<u>\$ (2,236,232)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 The Learning Community Charter School
 Balance Sheets - Governmental Funds
 June 30, 2015

	Operational 11000	Instructional Materials 14000	CNM Foundation 26207	HB-33 Capital Improvements 31600
ASSETS				
Cash and Cash Equivalents	\$ 57,320	-	-	-
Total Assets	\$ 57,320	-	-	-
FUND BALANCES				
Fund Balances				
Fund Balance:				
Restricted for:				
Instruction	\$ 57,320	-	-	-
Unassigned	-	-	-	-
Total Fund Balance	57,320	-	-	-
<i>Total Liabilities and Fund Balances</i>	\$ 57,320	-	-	-

The accompanying notes are an integral part of these financial statements

SB-9 Capital Improvements 31700	Foundation	Total
-	19,773	77,093
-	19,773	77,093
-	-	57,320
-	19,773	19,773
-	19,773	77,093
-	19,773	77,093

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STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The Learning Community Charter School
Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
June 30, 2015

Fund Balances - Total Governmental Funds	\$ 77,093
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Amounts reported for governmental activities in the Statement of Net Position are different because:

Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds.	(404,196)
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The net pension liability is not due and payable in the current period and, therefore, is not reported in the funds.	<u>(1,909,129)</u>
--	--------------------

Net Position-Total Governmental Activities	<u><u>\$ (2,236,232)</u></u>
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The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The Learning Community Charter School
Statement of Revenues, Expenditures, and Changes In Fund Balance
Governmental Funds
For The Year Ended June 30, 2015

	Operational 11000	Instructional Materials 14000	CNM Foundation 26207	HB-33 Capital Improvements 31600
REVENUES				
Property Taxes	\$ -	-	-	-
State Grant	-	-	-	2,130
Total Revenues	-	-	-	2,130
EXPENDITURES				
Current:				
Instruction	998	-	-	-
Support Services:				
General Administration	49,903	-	-	-
Central Services	2,634	-	-	-
Operation & Maintenance of Plant	6,298	-	-	-
Other Support Services Operations	-	-	-	-
Total Expenditures	59,833	-	-	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	(59,833)	-	-	2,130
Other financing uses				
Distributions to Public Education Department	(230,000)	(33,143)	-	-
Distributions to Albuquerque Public Schools	-	-	-	(293,297)
Other financing uses	(230,000)	(33,143)	-	(293,297)
Net Changes in Fund Balances	(289,833)	(33,143)	-	(291,167)
Fund Balances - Beginning of Year	347,153	33,143	-	291,167
Fund Balances - End of Year	\$ 57,320	-	-	-

The accompanying notes are an integral part of these financial statements

SB-9 Capital Improvements 31700	Foundation	Total
624	-	624
-	-	2,130
<u>624</u>	<u>-</u>	<u>2,754</u>
-	-	998
-	-	49,903
-	-	2,634
-	-	6,298
<u>-</u>	<u>28,730</u>	<u>28,730</u>
<u>-</u>	<u>28,730</u>	<u>88,563</u>
<u>624</u>	<u>(28,730)</u>	<u>(85,809)</u>
-	-	(263,143)
<u>(16,907)</u>	<u>-</u>	<u>(310,204)</u>
<u>(16,907)</u>	<u>-</u>	<u>(573,347)</u>
<u>(16,283)</u>	<u>(28,730)</u>	<u>(659,156)</u>
<u>16,283</u>	<u>48,503</u>	<u>736,249</u>
<u>-</u>	<u>19,773</u>	<u>77,093</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The Learning Community Charter School
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances (Deficit) of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2015

Net Change in Fund Balances-Total Governmental Funds **\$ (659,156)**

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

The School recorded a loss on the forfeiture of the building which had a net
 cost of \$1,302,585 (including accumulated depreciation) and debt of
 \$1,294,059 as of July 1, 2014. (8,526)

Change in long-term liabilities (61,949)
 Change in Net Pension Liability (61,949)

Change in Net Position-Total Governmental Activities **\$ (729,631)**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 The Learning Community Charter School
 Statement of Fiduciary Assets and Liabilities- Agency Funds
 June 30, 2015

	<u>Agency Funds</u>
ASSETS	
Cash in Bank	\$ -
Total Assets	<u>\$ -</u>
LIABILITIES	
Deposits Held for Others	\$ -
Total Liabilities	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 The Learning Community Charter School
 Schedule of Changes in Assets and Liabilities - Agency Funds
 For The Year Ended June 30, 2015

	Balance July 1, 2014	Additions	Deductions	Balance June 30, 2015
ASSETS				
Cash in Bank	\$ 1,388	-	(1,388)	-
Total Assets	<u>\$ 1,388</u>	<u>-</u>	<u>(1,388)</u>	<u>-</u>
LIABILITIES				
Deposits Held for Others	\$ 1,388	-	(1,388)	-
Total Liabilities	<u>\$ 1,388</u>	<u>-</u>	<u>(1,388)</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The Learning Community Charter School
Notes to the Financial Statements
June 30, 2015

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Capital Assets. Capital assets purchased or acquired are 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 Learning Community Charter School’s capitalization policy (i.e., the dollar value above which the asset acquisitions are added to the capital accounts) was \$5,000. In July 2014, The Learning Community Charter School gave up ownership on their building and equipment since the The Learning Community Charter School closed in May 2014.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB’s Fiduciary Net Position have been determined on the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 2. CAPITAL ASSETS

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

	<u>Balance</u> <u>June 30, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2015</u>
<i>Capital Assets not being</i>				
<i>Depreciated:</i>				
Land	\$ 290,000	-	(290,000)	-
<i>Total</i>	290,000	-	(290,000)	-
<i>Capital Assets being Depreciated:</i>				
Building and Improvements	1,435,160	-	(1,435,160)	-
<i>Total</i>	1,435,160	-	(1,435,160)	-
<i>Less: Accumulated Depreciation</i>				
Building and improvements	(422,575)	-	422,575	-
<i>Total</i>	(422,575)	-	422,575	-
Capital Assets, Net	\$ 1,302,585	-	(1,302,585)	-

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The Learning Community Charter School
Notes to the Financial Statements
June 30, 2015**

NOTE 3. LONG-TERM DEBT

The Learning Community Charter School Foundation, Inc. had outstanding long-term debt as of June 30, 2014 which consisted of a mortgage payable secured by a building. The Learning Community Charter School Foundation, Inc.'s interest rate was 8% due in monthly installments of \$15,008. This debt was to mature in July 2023. However, due to the closing of the School in June 2014 the building reverted back to the lender in July 2014. The total amount owed as of June 30, 2014 was \$1,294,059.

NOTE 4. RELATED PARTY TRANSACTIONS

The prior Principal of The Learning Community Charter School was also the President of the governing council for The Learning Charter School Foundation, Inc. The Learning Charter School Foundation, Inc. was presented as a blended component unit of The Learning Community Charter School.

NOTE 5. DISBURSEMENTS

During the closing process, The Learning Community Charter School distributed \$263,143 and \$1,388 to the New Mexico Public Education Department (PED) to close out The Learning Community Charter School governmental and agency funds. This disbursement consisted of disbursing \$230,000, \$33,143, and \$1,388 to PED to start the close out process for the Operational (11000), Instructional Materials (14000) and Agency fund (23000), respectively. In addition, The Learning Community Charter School distributed \$293,297 and \$16,907 to Albuquerque Public Schools to close out the HB-33 Capital Improvements fund (31600) and SB-9 Capital Improvements fund (31700), respectively. The Learning Community Charter School and The Learning Community Charter School Foundation plan to transfer any remaining cash and cash equivalents after June 30, 2015 to an educational institution or nonprofit organization.

NOTE 6. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to The Learning Community Charter School and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

NOTE 6. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD – (CONTINUED)

Contributions. The contribution requirements of defined benefit plan members and The Learning Community Charter School are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year ended June 30, 2014, employers contributed 13.15% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.10% of their gross annual salary.

For fiscal year ended June 30, 2015 employers contributed 13.90% and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 contributed an increased amount of 10.70% of their gross annual salary. Contributions to the pension plan from The Learning Community Charter School was \$0 for the year ended June 30, 2015.

Pension Liabilities, Pension Expense, and Deferred Inflows of Resources Related to Pensions:

The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2013. The total ERB pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2014, using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date June 30, 2014. At June 30, 2015, The Learning Community Charter School reported a liability of \$1,909,129 for its proportionate share of the net pension liability. The Learning Community Charter School proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2014. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2014, The Learning Community Charter School's proportion was 0.03346%, which was a decrease of 0.00434% from its proportion measured as of June 30, 2013.

For the year ended June 30, 2015, The Learning Community Charter School recognized pension expense of \$61,949. At June 30, 2015, The Learning Community Charter School reported deferred inflows of resources related to pensions from the following sources:

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The Learning Community Charter School
Notes to the Financial Statements
June 30, 2015

NOTE 6. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD – (CONTINUED)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 28,439
Net difference between projected and actual earnings on pension plan investments	-	173,544
Changes in proportion and difference The Learning Community Charter School contributions and proportionate share of contributions	-	202,213
Total	\$ -	404,196

The Learning Community Charter School reported \$0 as deferred outflows of resources related to pensions resulting from The Learning Community Charter School contributions subsequent to the measurement date June 30, 2014 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2016	\$ 123,475
2017	123,475
2018	113,865
2019	43,381
	\$ 404,196

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 The Learning Community Charter School
 Notes to the Financial Statements
 June 30, 2015

NOTE 6. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD – (CONTINUED)

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

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
The Learning Community Charter School’s proportionate share of the net pension liability	<u>\$ 2,597,592</u>	<u>1,909,129</u>	<u>1,334,040</u>

Payables to the pension plan. At June 30, 2015, The Learning Community Charter School did not owe for ERB for fiscal year 2015 contributions.

NOTE 7. RESTATEMENT

As a result of implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, net position at June 30, 2014 was restated in the amount of \$(2,251,376).

NOTE 8. BUDGET

Due to the closure of The Learning Community Charter School in May 2014, The Learning Community Charter School does not present any Schedule of Budgetary Comparisons as of June 30, 2015.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
THE LEARNING COMMUNITY CHARTER SCHOOL
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2015

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.03%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 1,909	-	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 922	-	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	207.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30, 2014

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
THE LEARNING COMMUNITY CHARTER SCHOOL
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2015

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 121	-	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	121	-	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ -	-	-	-	-	-	-	-	-	-

Year	Total Amount Deferred	Amortization Years	Increase (Decrease) in Pension Expense over Recognition Periods											
			2015	2016	2017	2018	2019	2020	2021	2022	2023	2024		
2014	\$ 404	5	\$ 123	123	123	114	44	-	-	-	-	-	-	-
2015	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2016	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2017	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2018	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2019	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2020	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2021	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2022	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2023	-	5	-	-	-	-	-	-	-	-	-	-	-	-
	\$ 404		\$ 123	123	123	114	44	-	-	-	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The Learning Community Charter School
Schedule of Collateral Pledged by Depository for Public Funds
June 30, 2015

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2015</u>
Wells Fargo	FNMA FNMS	3138A76W3	4/1/1941	\$ 31,908
Wells Fargo	FNMA FNMS	3138W9A34	7/1/1943	206,376
Wells Fargo	FNMA FNMS	3138A76W3	4/1/1941	4,087
				<u>\$ 242,371</u>

Total Cash per Schedule of Cash Accounts:	\$ 671,363
Less: FDIC coverage:	<u>(250,000)</u>
Uninsured Public Funds:	421,363
Collateral Requirement:	210,682
Pledged Collateral Held by Pledging Financial Institution:	<u>242,371</u>
Balance Over Collateralized:	<u>\$ 31,689</u>
Balance Uninsured and Uncollateralized at June 30, 2015:	<u>\$ 178,992</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 The Learning Community Charter School
 Schedule of Cash Accounts
 June 30, 2015

<u>Bank Account Type</u>	<u>Wells Fargo and Bank of America</u>
Checking - Operational Account	\$ 651,590
Checking - Foundation	<u>19,773</u>
<i>Total on Deposit</i>	671,363
Reconciling Items	<u>(594,270)</u>
Reconciled Balance June 30, 2015	<u><u>\$ 77,093</u></u>

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
The Learning Community Charter School
Cash Reconciliation
June 30, 2015

	Operational 11000	Instructional Materials 14000	Non-Instruct. Fund 23000	Federal Direct fund 26000
Cash, June 30, 2014	\$ 317,228	33,143	1,388	750
Add:				
2014-15 revenues	-	-	-	-
Total Cash Available	317,228	33,143	1,388	750
Less:				
2014-15 expenditures	(79,232)	-	-	-
Receivables/Payables	16,119	-	-	-
Transfers out	(230,000)	(33,143)	(1,388)	(750)
Outstanding Loans	33,205	-	-	-
Cash June 30, 2015	57,320	-	-	-
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	-	-	-	-
Cash Per Books	57,320	-	-	-
Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	-	-	-	-
Fund Balance (Deficit), Modified Accrual Basis	<u>\$ 57,320</u>	<u>-</u>	<u>-</u>	<u>-</u>

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

HB-33 Capital Improvements <u>31600</u>	SB-9 Capital Improvements <u>31700</u>	<u>Total</u>
291,167	16,283	659,959
<u>2,130</u>	<u>624</u>	<u>2,754</u>
293,297	16,907	662,713
-	-	(79,232)
-	-	16,119
(293,297)	(16,907)	(575,485)
<u>-</u>	<u>-</u>	<u>33,205</u>
<u>-</u>	<u>-</u>	<u>57,320</u>
<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>57,320</u>
Balance Sheet-Foundation:		<u>19,773</u>
		<u>\$ 77,093</u>
<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>57,320</u>
Add: Foundation:		<u>19,773</u>
Balance Sheets - Governmental Funds:		<u>\$ 77,093</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Tierra Adentro
Statement of Net Position
June 30, 2015

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 55,673
Receivables	
Due from Other Governments	205,313
Deposits	11,428
Total Current Assets	<u>272,414</u>

Noncurrent Assets:

Capital Assets	
Furniture, Fixtures, and Equipment	61,558
Less: Accumulated Depreciation	(40,691)
Total Noncurrent Assets	<u>20,867</u>

Total Assets	<u>293,281</u>
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Deferred Outflows - Pension Related	<u>293,545</u>
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LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accounts Payable	103,717
Accrued Liabilities	145,992
Total Current Liabilities	<u>249,709</u>

Noncurrent Liabilities:

Net Pension Liability	2,294,265
Total Noncurrent Liabilities	<u>2,294,265</u>

Total Liabilities	<u>2,543,974</u>
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Deferred Inflows - Pension Related	<u>242,735</u>
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NET POSITION

Investment in Capital Assets	20,867
Restricted	26,440
Unrestricted (deficit)	(2,247,190)
Total Net Position	<u>\$ (2,199,883)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Tierra Adentro
Statement of Activities
For The Year Ended June 30, 2015

Functions/Programs	Program Revenues			Net (Expenses) Revenues and Changes in Net Position	
	Expenses	Charges for Service	Operating Grants and Contributions		Capital Grants and Contributions
Governmental activities:					
Instruction	\$ 1,615,865	-	248,486	-	(1,367,379)
Support Services:					
Students	250,162	-	-	-	(250,162)
Instruction	6,513	-	-	-	(6,513)
General Administration	16,964	-	-	-	(16,964)
School Administration	447,113	-	-	-	(447,113)
Central Services	88,524	-	-	-	(88,524)
Operation & Maintenance of Plant	289,011	-	-	-	(289,011)
Food Services	83,105	21,645	61,989	-	529
Facilities Materials, Supplies & Other Services	205,281	-	-	205,281	-
Total Governmental Activities	\$ 3,002,538	21,645	310,475	205,281	(2,465,137)
General Revenues:					
					\$ 2,181,253
					2,181,253
Change in Net Position					(283,884)
					312,163
					(2,228,162)
					(1,915,999)
					\$ (2,199,883)

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Tierra Adentro
Balance Sheets - Governmental Funds
June 30, 2015

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101
ASSETS				
Cash and Cash Equivalents	\$ 36,486	10,355	529	-
Accounts Receivable				
Due from Government	-	-	-	33,720
Due from Other Funds	183,017	-	-	-
Deposits	11,428	-	-	-
Total Assets	\$ 230,931	10,355	529	33,720
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 87,801	-	-	-
Accrued Expenditures	134,994	-	-	7,290
Due to Other Funds	-	-	-	26,430
Total Liabilities	222,795	-	-	33,720
Fund Balances (Deficit)				
Fund Balance:				
Nonspendable:				
Deposits	11,428	-	-	-
Restricted for:				
Instruction	-	10,355	-	-
Support Services	-	-	-	-
Food Services	-	-	529	-
Unassigned (Deficit)	(3,292)	-	-	-
Total Fund Balance (Deficit)	8,136	10,355	529	-
Total Liabilities and Fund Balances (Deficit)	\$ 230,931	10,355	529	33,720

The accompanying notes are an integral part of these financial statements

IDEA-B Entitlement 24106	IDEA B Risk Pool 24120	Teacher Principal Training 24154	Title XIX Medicaid 25152	Elementary & Middle School Initiative 26177	Dual Credit Instructional Materials 27103
-	-	-	4,191	3,988	-
10,052	53	6,764	-	-	264
-	-	-	-	-	-
-	-	-	-	-	-
<u>10,052</u>	<u>53</u>	<u>6,764</u>	<u>4,191</u>	<u>3,988</u>	<u>264</u>
-	-	-	187	3,839	205
-	-	-	-	149	-
<u>10,052</u>	<u>53</u>	<u>6,764</u>	<u>-</u>	<u>-</u>	<u>59</u>
<u>10,052</u>	<u>53</u>	<u>6,764</u>	<u>187</u>	<u>3,988</u>	<u>264</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	4,004	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>4,004</u>	<u>-</u>	<u>-</u>
<u>10,052</u>	<u>53</u>	<u>6,764</u>	<u>4,191</u>	<u>3,988</u>	<u>264</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Tierra Adentro
Balance Sheets - Governmental Funds (Continued)
June 30, 2015

	2012 GO Bond Student Library SB-66 27107	After School Enrichment Program 27168	GOB Instructional Materials 27171	STEM Teacher Initiative Grant 27181
ASSETS				
Cash and Cash Equivalents	\$ -	-	-	-
Accounts Receivable				
Due from Government	-	47,734	-	6,656
Due from Other Funds	-	-	-	-
Deposits	-	-	-	-
Total Assets	\$ -	47,734	-	6,656
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ -	11,685	-	-
Accrued Expenditures	-	-	-	3,559
Due to Other Funds	-	36,049	443	3,097
Total Liabilities	-	47,734	443	6,656
Fund Balances (Deficit)				
Fund Balance:				
Nonspendable:				
Deposits	-	-	-	-
Restricted for:				
Instruction	-	-	-	-
Support Services	-	-	-	-
Food Services	-	-	-	-
Unassigned (Deficit)	-	-	(443)	-
Total Fund Balance (Deficit)	-	-	(443)	-
Total Liabilities and Fund Balances (Deficit)	\$ -	47,734	-	6,656

The accompanying notes are an integral part of these financial statements

Next Gen Assessments 27185	Private Direct Grants 29102	McCune Charitable Foundation 29114	Public School Capital Outlay 31200	Special Capital Outlay State 31400	Total
-	124	-	-	-	55,673
-	-	-	35,070	65,000	205,313
-	-	-	-	-	183,017
-	-	-	-	-	11,428
<u>-</u>	<u>124</u>	<u>-</u>	<u>35,070</u>	<u>65,000</u>	<u>455,431</u>
-	-	-	-	-	103,717
-	-	-	-	-	145,992
-	-	-	35,070	65,000	183,017
<u>-</u>	<u>-</u>	<u>-</u>	<u>35,070</u>	<u>65,000</u>	<u>432,726</u>
-	-	-	-	-	11,428
-	124	-	-	-	10,479
-	-	-	-	-	4,004
-	-	-	-	-	529
-	-	-	-	-	(3,735)
<u>-</u>	<u>124</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>22,705</u>
<u>-</u>	<u>124</u>	<u>-</u>	<u>35,070</u>	<u>65,000</u>	<u>455,431</u>

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STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Tierra Adentro
 Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
 June 30, 2015

Fund Balances - Total Governmental Funds \$ **22,705**

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

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

Capital Assets	61,558	
Accumulated Depreciation	<u>(40,691)</u>	
		20,867

Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds. 293,545

Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds. (242,735)

The net pension liability is not due and payable in the current period and, therefore, is not reported in the funds. (2,294,265)

Net Position-Total Governmental Activities **\$ (2,199,883)**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Tierra Adentro
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit)
Governmental Funds
For The Year Ended June 30, 2015

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101
REVENUES				
Local & County Grant	\$ 8,581	-	-	-
State Grant	2,181,253	16,933	-	-
Federal Grant	-	-	61,989	65,895
Charges for Services	-	-	21,645	-
Total Revenues	<u>2,189,834</u>	<u>16,933</u>	<u>83,634</u>	<u>65,895</u>
EXPENDITURES				
Current:				
Instruction	1,410,471	11,865	-	65,895
Support Services:				
Students	198,653	-	-	-
Instruction	6,513	-	-	-
General Administration	16,964	-	-	-
School Administration	445,432	-	-	-
Central Services	88,524	-	-	-
Operation & Maintenance of Plant	278,436	-	-	-
Food Services Operations	-	-	83,105	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>2,444,993</u>	<u>11,865</u>	<u>83,105</u>	<u>65,895</u>
Net Changes in Fund Balances	<u>(255,159)</u>	<u>5,068</u>	<u>529</u>	<u>-</u>
Fund Balances (Deficit) - Beginning of Year	<u>263,295</u>	<u>5,287</u>	<u>-</u>	<u>-</u>
Fund Balances (Deficit) - End of Year	<u>\$ 8,136</u>	<u>10,355</u>	<u>529</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements

IDEA-B Entitlement 24106	IDEA-B Risk Pool 24120	Teacher Principal Training 24154	Title XIX Medicaid 25152	Elementary & Middle School Initiative 26177	Dual Credit Instructional Materials 27103
-	-	-	-	8,069	-
-	-	-	-	-	596
46,881	53	13,199	1,245	-	-
-	-	-	-	-	-
<u>46,881</u>	<u>53</u>	<u>13,199</u>	<u>1,245</u>	<u>8,069</u>	<u>596</u>
7,974	-	12,342	-	6,834	596
38,907	53	-	1,062	1,235	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	857	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>46,881</u>	<u>53</u>	<u>13,199</u>	<u>1,062</u>	<u>8,069</u>	<u>596</u>
-	-	-	183	-	-
-	-	-	3,821	-	-
-	-	-	4,004	-	-

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Tierra Adentro

Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit) - Continued
 Governmental Funds
 For The Year Ended June 30, 2015

	2012 GO Bond Student Library SB-66 27107	After School Enrichment Program 27168	GOB Instructional Materials 27171	STEM Teacher Initiative Grant 27181
REVENUES				
Local & County Grant	\$ -	-	-	-
State Grant	-	47,734	-	24,300
Federal Grant	-	-	-	-
Charges for Services	-	-	-	-
Total Revenues	-	47,734	-	24,300
EXPENDITURES				
Current:				
Instruction	-	46,910	-	24,300
Support Services:				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	824	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	-	47,734	-	24,300
Net Changes in Fund Balances	-	-	-	-
Fund Balances (Deficit) - Beginning of Year	-	-	(443)	-
Fund Balances (Deficit) - End of Year	\$ -	-	(443)	-

The accompanying notes are an integral part of these financial statements

Next Gen Assessments 27185	Private Direct Grants 29102	McCune Charitable Foundation 29114	Public School Capital Outlay 31200	Special Capital Outlay State 31400	Total
-	-	15,000	-	-	31,650
-	-	-	140,281	65,000	2,476,097
-	-	-	-	-	189,262
-	-	-	-	-	21,645
-	-	15,000	140,281	65,000	2,718,654
-	-	13,385	-	-	1,600,572
-	-	10,252	-	-	250,162
-	-	-	-	-	6,513
-	-	-	-	-	16,964
-	-	-	-	-	447,113
-	-	-	-	-	88,524
-	-	-	-	-	278,436
-	-	-	-	-	83,105
-	-	-	140,281	65,000	205,281
-	-	23,637	140,281	65,000	2,976,670
-	-	(8,637)	-	-	(258,016)
-	124	8,637	-	-	280,721
-	124	-	-	-	22,705

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Tierra Adentro
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances (Deficit) of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2015

Net Change in Fund Balances-Total Governmental Funds **\$ (258,016)**

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

Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the Statement of Net Position and allocated over their estimated useful lives as annual depreciation expenses in the Statement of Activities. This is the amount by which capital outlay exceeds depreciation for the period

Depreciation Expense	(10,575)
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Changes in long-term liabilities

Change in Net Pension Liability	(15,293)
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Change in Net Position-Total Governmental Activities	<u><u>\$ (283,884)</u></u>
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The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Tierra Adentro
 Statement of Fiduciary Assets and Liabilities- Agency Funds
 June 30, 2015

	<u>Agency</u>
ASSETS	
Cash in Bank	\$ 51,426
Total Assets	<u>\$ 51,426</u>
 LIABILITIES	
Deposits Held for Others	\$ 51,426
Total Liabilities	<u>\$ 51,426</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Tierra Adentro
 Schedule of Changes in Assets and Liabilities - Agency Funds
 For The Year Ended June 30, 2015

	<u>Balance</u> <u>July 1, 2014</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2015</u>
ASSETS				
Cash in Bank	\$ 39,448	40,828	(28,850)	51,426
Total Assets	<u>\$ 39,448</u>	<u>40,828</u>	<u>(28,850)</u>	<u>51,426</u>
LIABILITIES				
Deposits Held for Others	\$ 39,448	40,828	(28,850)	51,426
Total Liabilities	<u>\$ 39,448</u>	<u>40,828</u>	<u>(28,850)</u>	<u>51,426</u>

The accompanying notes are an integral part of these financial statements

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Capital Assets. Capital assets purchased or acquired are 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. Tierra Adentro's capitalization policy (i.e., the dollar value above which the asset acquisitions are added to the capital accounts) is \$5,000. Tierra Adentro does not capitalize any interest with regard to its capital assets.

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

Furniture, Fixtures and Equipment	5-10 years
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Capital assets for Tierra Adentro are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB's Fiduciary Net Position have been determined on the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Tierra Adentro
Notes to the Financial Statements
June 30, 2015

NOTE 2. CAPITAL ASSETS

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

	<u>Balance</u> <u>June 30, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2015</u>
<i>Capital Assets being Depreciated:</i>				
Furniture, Fixtures and Equipment	\$ 61,558	-	-	61,558
<i>Total</i>	<u>61,558</u>	<u>-</u>	<u>-</u>	<u>61,558</u>
<i>Less: Accumulated Depreciation</i>				
Furniture, fixtures and equipment	(30,116)	(10,575)	-	(40,691)
<i>Total</i>	<u>(30,116)</u>	<u>(10,575)</u>	<u>-</u>	<u>(40,691)</u>
Capital Assets, Net	<u>\$ 31,442</u>	<u>(10,575)</u>	<u>-</u>	<u>20,867</u>

Depreciation expensed for the year ended June 30, 2015 was expensed to the following function:

Operation & Maintenance of Plant	\$ 10,575
Total	<u>\$ 10,575</u>

NOTE 3. COMMITMENTS AND LIABILITIES

Tierra Adentro leases equipment and facilities under long-term cancelable operating leases. Rental expenses for the year ended June 30, 2015 was \$231,776. Tierra Adentro's minimum future payments on these leases are as follows:

Year Ending June 30:	
2016	\$ 201,516

NOTE 4. DEFICIT FUND BALANCE

The following fund had a deficit fund balance at June 30, 2015:

Instructional Materials - 27171	\$ 443
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Tierra Adentro is addressing the negative fund balance and is planning on taking the appropriate actions to eliminate it.

NOTE 5. RELATED PARTY TRANSACTIONS

The National Institute of Flamenco (NIF) subleases the property to Tierra Adentro. In addition to lease payments, Tierra Adentro pays NIF for marketing and other services. Total payments to NIF during fiscal year 2015 totaled \$310,937.

NOTE 6. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to Tierra Adentro and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions. The contribution requirements of defined benefit plan members and Tierra Adentro are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year ended June 30, 2014, employers contributed 13.15% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.10% of their gross annual salary. For fiscal year ended June 30, 2015, employers contributed 13.90% and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 contributed an increased amount of 10.70% of their gross annual salary. Contributions to the pension plan from Tierra Adentro were \$182,200 for the year ended June 30, 2015.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2013. The total ERB pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2014, using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date of June 30, 2014. At June 30, 2015, Tierra Adentro reported a liability of \$2,294,265 for its proportionate share of the net pension liability. Tierra Adentro's proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2014. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2014, Tierra Adentro's proportion was 0.04021%, which was an increase of 0.00239% from its proportion measured as of June 30, 2013.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Tierra Adentro
Notes to the Financial Statements
June 30, 2015

NOTE 6. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

For the year ended June 30, 2015, Tierra Adentro recognized pension expense of \$197,493. At June 30, 2015, Tierra Adentro reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	34,176
Net difference between projected and actual earnings on pension plan investments	-	208,559
Changes in proportion and differences between Tierra Adentro contributions and proportionate share of contributions	111,345	-
Tierra Adentro contributions subsequent to the measurement date	<u>182,200</u>	-
Total	<u>\$ 293,545</u>	<u>242,735</u>

The amount of \$182,200 reported as deferred outflows of resources related to pensions resulting from Tierra Adentro contributions subsequent to the measurement date of June 30, 2014 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2016	\$ 25,346
2017	25,346
2018	28,561
2019	<u>52,137</u>
Total	\$ <u>131,390</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Tierra Adentro
Notes to the Financial Statements
June 30, 2015

NOTE 6. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Sensitivity of Tierra Adentro’s proportionate share of the net pension liability to changes in the discount rate. The following table shows the sensitivity of the net pension liability to changes in the discount rate as of June 30, 2014. In particular, the table presents the (employer’s) net pension liability under the current single rate assumption, as if it were calculated using a discount rate one percentage point lower (6.75%) or one percentage point higher (8.75%) than the single discount rate.

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
The School’s proportionate share of the net pension liability	<u>\$ 3,121,615</u>	<u>2,294,265</u>	<u>1,603,203</u>

Payables to the pension plan. At June 30, 2015, Tierra Adentro owed \$50,644 to ERB for fiscal year 2015 contributions.

NOTE 7. RESTATEMENT

As a result of implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, net position at June 30, 2014 was restated in the amount of \$(2,228,162).

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
TIERRA ADENTRO
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2015

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.04%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 2,294	-	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 1,108	-	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	207.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30, 2014

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
TIERRA ADENTRO
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2015

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 146	-	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	146	-	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ -	-	-	-	-	-	-	-	-	-

Year	Total Amount Deferred	Amortization Years	Increase (Decrease) in Pension Expense over Recognition Periods											
			2015	2016	2017	2018	2019	2020	2021	2022	2023	2024		
2014	\$ 131	5	\$ 25	25	25	29	52	-	-	-	-	-	-	-
2015	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2016	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2017	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2018	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2019	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2020	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2021	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2022	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2023	-	5	-	-	-	-	-	-	-	-	-	-	-	-
	\$ 131		\$ 25	25	25	29	52	-	-	-	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Tierra Adentro
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Local & County Grant	\$ -	2,087	8,581	6,494
State Grant	2,129,406	2,181,253	2,181,253	-
Total Revenues	<u>2,129,406</u>	<u>2,183,340</u>	<u>2,189,834</u>	<u>6,494</u>
EXPENDITURES				
Current:				
Instruction	1,359,130	1,451,691	1,390,951	60,740
Support Services:				
Students	153,168	178,291	174,838	3,453
Instruction	-	6,512	5,338	1,174
General Administration	75,000	18,646	14,012	4,634
School Administration	342,668	433,095	425,698	7,397
Central Services	77,838	76,899	76,724	175
Operation & Maintenance of Plant	202,038	269,630	269,630	-
Total Expenditures	<u>2,209,842</u>	<u>2,434,764</u>	<u>2,357,191</u>	<u>77,573</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(80,436)</u>	<u>(251,424)</u>	<u>(167,357)</u>	<u>84,067</u>
Other Financing Sources (Uses):				
Designated Cash	80,436	251,424	-	(251,424)
Total Other Financing Sources (Uses):	<u>80,436</u>	<u>251,424</u>	<u>-</u>	<u>(251,424)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(167,357)</u>	<u>(167,357)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>263,295</u>	<u>263,295</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>95,938</u>	<u>95,938</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (167,357)	
Adjustments to Revenues			-	
Adjustments to Expenditures			<u>(87,802)</u>	
NET CHANGE IN FUND BALANCE			<u>\$ (255,159)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Tierra Adentro
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	13,551	16,933	3,382
Total Revenues	<u>-</u>	<u>13,551</u>	<u>16,933</u>	<u>3,382</u>
EXPENDITURES				
Current:				
Instruction	-	18,838	11,865	6,973
Total Expenditures	<u>-</u>	<u>18,838</u>	<u>11,865</u>	<u>6,973</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>(5,287)</u>	<u>5,068</u>	<u>10,355</u>
Other Financing Sources (Uses):				
Designated Cash	-	5,287	-	(5,287)
Total Other Financing Sources (Uses):	<u>-</u>	<u>5,287</u>	<u>-</u>	<u>(5,287)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>5,068</u>	<u>5,068</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>5,287</u>	<u>5,287</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>10,355</u>	<u>10,355</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 5,068	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 5,068</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Tierra Adentro
Schedule of Budgetary Comparisons - Budgetary Basis
Food Services 21000
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ -	85,000	61,989	(23,011)
Charges for Services	-	13,789	21,645	7,856
Total Revenues	<u>-</u>	<u>98,789</u>	<u>83,634</u>	<u>(15,155)</u>
EXPENDITURES				
Current:				
Food Services Operations	-	105,221	83,105	22,116
Total Expenditures	<u>-</u>	<u>105,221</u>	<u>83,105</u>	<u>22,116</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>(6,432)</u>	<u>529</u>	<u>6,961</u>
Net Changes in Fund Balances	<u>-</u>	<u>(6,432)</u>	<u>529</u>	<u>6,961</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances (Deficit) - End of Year	<u>\$ -</u>	<u>(6,432)</u>	<u>529</u>	<u>6,961</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 529	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 529</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Tierra Adentro
Schedule of Budgetary Comparisons - Budgetary Basis
Title I IASA 24101
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 65,895	65,895	32,175	(33,720)
Total Revenues	<u>65,895</u>	<u>65,895</u>	<u>32,175</u>	<u>(33,720)</u>
EXPENDITURES				
Current:				
Instruction	65,895	65,895	65,895	-
Total Expenditures	<u>65,895</u>	<u>65,895</u>	<u>65,895</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(33,720)</u>	<u>(33,720)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(33,720)</u>	<u>(33,720)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances (Deficit) - End of Year	<u>\$ -</u>	<u>-</u>	<u>(33,720)</u>	<u>(33,720)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (33,720)	
Adjustments to Revenues			33,720	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Tierra Adentro
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Entitlement 24106
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 42,162	46,881	46,461	(420)
Total Revenues	<u>42,162</u>	<u>46,881</u>	<u>46,461</u>	<u>(420)</u>
EXPENDITURES				
Current:				
Instruction	-	7,975	7,975	-
Support Services:				
Students	42,162	38,906	38,906	-
Total Expenditures	<u>42,162</u>	<u>46,881</u>	<u>46,881</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(420)</u>	<u>(420)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(420)</u>	<u>(420)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances (Deficit) - End of Year	<u>\$ -</u>	<u>-</u>	<u>(420)</u>	<u>(420)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (420)	
Adjustments to Revenues			420	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Tierra Adentro
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Risk Pool 24120
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ -	53	89,335	89,282
Total Revenues	<u>-</u>	<u>53</u>	<u>89,335</u>	<u>89,282</u>
EXPENDITURES				
Current:				
Support Services:				
Students	-	53	53	-
Total Expenditures	<u>-</u>	<u>53</u>	<u>53</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>89,282</u>	<u>89,282</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>89,282</u>	<u>89,282</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>89,282</u>	<u>89,282</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 89,282	
Adjustments to Revenues			(89,282)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Tierra Adentro
 Schedule of Budgetary Comparisons - Budgetary Basis
 Teacher Principal Training 24154
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 9,344	14,621	12,873	(1,748)
Total Revenues	<u>9,344</u>	<u>14,621</u>	<u>12,873</u>	<u>(1,748)</u>
EXPENDITURES				
Current:				
Instruction	8,144	13,421	12,342	1,079
Support Services:				
School Administration	1,200	1,200	857	343
Total expenditures	<u>9,344</u>	<u>14,621</u>	<u>13,199</u>	<u>1,422</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(326)</u>	<u>(326)</u>
Net changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(326)</u>	<u>(326)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances (Deficit) - End of Year	<u>\$ -</u>	<u>-</u>	<u>(326)</u>	<u>(326)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (326)	
Adjustments to Revenues			326	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Tierra Adentro
Schedule of Budgetary Comparisons - Budgetary Basis
Title XIX Medicaid 25152
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ -	473	1,245	772
Total Revenues	<u>-</u>	<u>473</u>	<u>1,245</u>	<u>772</u>
EXPENDITURES				
Current:				
Support Services:				
Students	-	4,294	875	3,419
Total Expenditures	<u>-</u>	<u>4,294</u>	<u>875</u>	<u>3,419</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>(3,821)</u>	<u>370</u>	<u>4,191</u>
Other Financing Sources (Uses):				
Designated Cash	-	3,821	-	(3,821)
Total Other Financing Sources (Uses):	<u>-</u>	<u>3,821</u>	<u>-</u>	<u>(3,821)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>370</u>	<u>370</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>3,821</u>	<u>3,821</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>4,191</u>	<u>4,191</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 370	
Adjustments to Revenues			-	
Adjustments to Expenditures			(187)	
NET CHANGE IN FUND BALANCE			<u>\$ 183</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Tierra Adentro
Schedule of Budgetary Comparisons - Budgetary Basis
Elementary and Middle School Initiative 26177
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Local & County Grant	\$ -	8,070	8,069	(1)
Total Revenues	<u>-</u>	<u>8,070</u>	<u>8,069</u>	<u>(1)</u>
EXPENDITURES				
Current:				
Instruction	-	6,785	2,995	3,790
Support Services:				
Students	-	1,285	1,236	49
Total Expenditures	<u>-</u>	<u>8,070</u>	<u>4,231</u>	<u>3,839</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>3,838</u>	<u>3,838</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>3,838</u>	<u>3,838</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>3,838</u>	<u>3,838</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 3,838	
Adjustments to revenues			-	
Adjustments to expenditures			<u>(3,838)</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Tierra Adentro
Schedule of Budgetary Comparisons - Budgetary Basis
Dual Credit Instructional Materials 27103
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	391	332	(59)
Total Revenues	<u>-</u>	<u>391</u>	<u>332</u>	<u>(59)</u>
EXPENDITURES				
Current:				
Instruction	-	391	391	-
Total Expenditures	<u>-</u>	<u>391</u>	<u>391</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(59)</u>	<u>(59)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(59)</u>	<u>(59)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(59)</u>	<u>(59)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (59)	
Adjustments to Revenues			264	
Adjustments to Expenditures			(205)	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Tierra Adentro
Schedule of Budgetary Comparisons - Budgetary Basis
2012 GO Bond Student Library SB-66 27107
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	626	2,599	1,973
Total Revenues	<u>-</u>	<u>626</u>	<u>2,599</u>	<u>1,973</u>
EXPENDITURES				
Current:				
Support Services:				
Instruction	-	626	-	626
Total Expenditures	<u>-</u>	<u>626</u>	<u>-</u>	<u>626</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>2,599</u>	<u>2,599</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>2,599</u>	<u>2,599</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>2,599</u>	<u>2,599</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 2,599	
Adjustments to Revenues			(2,599)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Tierra Adentro
Schedule of Budgetary Comparisons - Budgetary Basis
After School Enrichment Program 27168
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	50,000	-	(50,000)
Total Revenues	<u>-</u>	<u>50,000</u>	<u>-</u>	<u>(50,000)</u>
EXPENDITURES				
Current:				
Instruction	-	49,176	35,225	13,951
Support Services:				
School Administration	-	824	824	-
Total Expenditures	<u>-</u>	<u>50,000</u>	<u>36,049</u>	<u>13,951</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(36,049)</u>	<u>(36,049)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(36,049)</u>	<u>(36,049)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(36,049)</u>	<u>(36,049)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (36,049)	
Adjustments to Revenues			47,734	
Adjustments to Expenditures			(11,685)	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Tierra Adentro
Schedule of Budgetary Comparisons - Budgetary Basis
GOB Instructional Materials 27171
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	-	1,981	1,981
Total Revenues	<u>-</u>	<u>-</u>	<u>1,981</u>	<u>1,981</u>
EXPENDITURES				
Current:				
Instruction	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	1,981	1,981
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>1,981</u>	<u>1,981</u>
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>1,981</u>	<u>1,981</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 1,981	
Adjustments to Revenues			(1,981)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Tierra Adentro
Schedule of Budgetary Comparisons - Budgetary Basis
STEM Teacher Initiative Grant 27181
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	24,300	17,644	(6,656)
Total Revenues	<u>-</u>	<u>24,300</u>	<u>17,644</u>	<u>(6,656)</u>
EXPENDITURES				
Current:				
Instruction	-	24,300	24,300	-
Total Expenditures	<u>-</u>	<u>24,300</u>	<u>24,300</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(6,656)	(6,656)
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(6,656)</u>	<u>(6,656)</u>
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(6,656)</u>	<u>(6,656)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (6,656)	
Adjustments to Revenues			6,656	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Tierra Adentro
Schedule of Budgetary Comparisons - Budgetary Basis
Next Gen Assessments 27185
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	-	4,635	4,635
Total Revenues	<u>-</u>	<u>-</u>	<u>4,635</u>	<u>4,635</u>
EXPENDITURES				
Current:				
Instruction	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			<u>4,635</u>	<u>4,635</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>4,635</u>	<u>4,635</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>4,635</u>	<u>4,635</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 4,635	
Adjustments to Revenues			(4,635)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Tierra Adentro
Schedule of Budgetary Comparisons - Budgetary Basis
Private Direct Grants 29102
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Local & County Grant	\$ -	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	-	124	-	124
Total Expenditures	<u>-</u>	<u>124</u>	<u>-</u>	<u>124</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>(124)</u>	<u>-</u>	<u>124</u>
Other financing sources (uses):				
Designated Cash	-	124	-	(124)
Total other financing sources (uses):	<u>-</u>	<u>124</u>	<u>-</u>	<u>(124)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>124</u>	<u>124</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>124</u>	<u>124</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Tierra Adentro
Schedule of Budgetary Comparisons - Budgetary Basis
McCune Charitable Foundation 29114
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Local & County Grant	\$ -	15,000	15,000	-
Total Revenues	<u>-</u>	<u>15,000</u>	<u>15,000</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	-	13,385	13,385	-
Support Services:				
Students	-	10,252	10,252	-
Total Expenditures	<u>-</u>	<u>23,637</u>	<u>23,637</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>(8,637)</u>	<u>(8,637)</u>	<u>-</u>
Other financing sources (uses):				
Designated Cash	-	8,637	-	(8,637)
Total other financing sources (uses):	<u>-</u>	<u>8,637</u>	<u>-</u>	<u>(8,637)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(8,637)</u>	<u>(8,637)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>8,637</u>	<u>8,637</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (8,637)	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (8,637)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Tierra Adentro
 Schedule of Budgetary Comparisons - Budgetary Basis
 Public School Capital Outlay 31200
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	140,281	140,281	-
Total Revenues	<u>-</u>	<u>140,281</u>	<u>140,281</u>	<u>-</u>
EXPENDITURES				
Capital Outlay	-	140,281	140,281	-
Total Expenditures	<u>-</u>	<u>140,281</u>	<u>140,281</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Tierra Adentro
Schedule of Budgetary Comparisons - Budgetary Basis
Special Capital Outlay State 31400
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 105,000	67,425	37,575	(29,850)
Total Revenues	<u>105,000</u>	<u>67,425</u>	<u>37,575</u>	<u>(29,850)</u>
EXPENDITURES				
Capital Outlay	105,000	67,425	65,000	2,425
Total Expenditures	<u>105,000</u>	<u>67,425</u>	<u>65,000</u>	<u>2,425</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(27,425)	(27,425)
Net Changes in Fund Balances	-	-	(27,425)	(27,425)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances (Deficit) - End of Year	<u>\$ -</u>	<u>-</u>	<u>(27,425)</u>	<u>(27,425)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (27,425)	
Adjustments to Revenues			27,425	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Tierra Adentro
 Schedule of Collateral Pledged by Depository for Public Funds
 June 30, 2015

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2015</u>
N/A	N/A	N/A	N/A	\$ -
				\$ -
Total Cash in Bank per Schedule of Cash Accounts:				\$ 111,096
Less: FDIC coverage:				(111,096)
Uninsured Public Funds:				-
Collateral Requirement:				-
Pledged Collateral Held by Pledging Financial Institution:				-
Balance Over Collateralized:				\$ -
Balance Uninsured and Uncollateralized at June 30, 2015:				\$ -

The accompanying notes are an integral part of these financial statements

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STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Tierra Adentro
 Schedule of Cash Accounts
 June 30, 2015

<u>Bank Account Type</u>	<u>Wells Fargo</u>
Checking - Operational Account	\$ 59,670
Checking - Activity Account	51,426
<i>Total on Deposit</i>	111,096
Reconciling Items	(3,997)
Reconciled Balance June 30, 2015	107,099
Less Agency Funds	(51,426)
<i>Total Cash</i>	\$ 55,673

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Tierra Adentro
Cash Reconciliation
June 30, 2015

	Operational 11000	Instructional Materials 14000	Food Services 21000	Non-Instruct. Fund 23000
Cash, June 30, 2014	\$ 217,702	5,287	-	39,448
Add:				
2014-15 revenues	<u>2,189,834</u>	<u>16,933</u>	<u>83,634</u>	<u>40,828</u>
Total Cash Available	2,407,536	22,220	83,634	80,276
Less:				
2014-15 expenditures	(2,357,191)	(11,865)	(83,105)	(28,850)
Receivables/Payables	(18,622)	-	-	-
Outstanding Loans	<u>4,763</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash June 30, 2015	<u>36,486</u>	<u>10,355</u>	<u>529</u>	<u>51,426</u>
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	-	-	-	-
Cash Per Books	<u>36,486</u>	<u>10,355</u>	<u>529</u>	<u>51,426</u>
Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	(28,350)	-	-	(51,426)
Fund Balance (Deficit), Modified Accrual Basis	<u>\$ 8,136</u>	<u>10,355</u>	<u>529</u>	<u>-</u>

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

Federal Projects Account 24000	Federal Direct Account 25000	Local Grant Account 26000	State Account 27000	Local or State Fund 29000	Public School Capital Outlay 31200
52	3,821	-	-	8,761	-
<u>180,844</u>	<u>1,245</u>	<u>8,069</u>	<u>27,191</u>	<u>15,000</u>	<u>140,281</u>
180,896	5,066	8,069	27,191	23,761	140,281
(126,028)	(875)	(4,231)	(60,740)	(23,637)	(140,281)
7,238	-	150	3,631	-	-
<u>(62,106)</u>	<u>-</u>	<u>-</u>	<u>29,918</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>4,191</u>	<u>3,988</u>	<u>-</u>	<u>124</u>	<u>-</u>
-	-	-	-	-	-
<u>-</u>	<u>4,191</u>	<u>3,988</u>	<u>-</u>	<u>124</u>	<u>-</u>
-	(187)	(3,988)	(443)	-	-
<u>-</u>	<u>4,004</u>	<u>-</u>	<u>(443)</u>	<u>124</u>	<u>-</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Tierra Adentro
 Cash Reconciliation - (Continued)
 June 30, 2015

	Special Capital Outlay - State	
	<u>31400</u>	<u>Total</u>
Cash, June 30, 2014	\$ -	275,071
Add:		
2014-15 revenues	<u>37,575</u>	<u>2,741,434</u>
Total Cash Available	37,575	3,016,505
Less:		
2014-15 expenditures	(65,000)	(2,901,803)
Receivables/Payables	-	(7,603)
Outstanding Loans	<u>27,425</u>	<u>-</u>
Cash June 30, 2015	<u>-</u>	<u>107,099</u>
Fund Balance Reconciliations to GAAP Basis:		
Audit reclassifications to cash	<u>-</u>	<u>-</u>
Cash Per Books	<u>-</u>	<u>107,099</u>
Less: Activity Funds:		<u>(51,426)</u>
		<u>\$ 55,673</u>
Fund Balance Reconciliation to GAAP Basis:		
Modified Accrual Adjustments	<u>-</u>	<u>(84,394)</u>
Fund Balance (Deficit), Modified Accrual Basis	<u>\$ -</u>	<u>22,705</u>

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

STATE OF NEW MEXICO

PUBLIC EDUCATION DEPARTMENT

Financial Statements
June 30, 2015

VOLUME XI



AXIOM

*Certified Public Accountants
and Business Advisors LLC*

**STATE OF NEW MEXICO PUBLIC EDUCATION DEPARTMENT
VOLUME TABLE OF CONTENTS**

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STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Uplift Community School
Statement of Net Position
June 30, 2015

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 219,769
Receivables	
Due from Other Governments	72,305
Total Current Assets	<u>292,074</u>

Noncurrent Assets:

Capital Assets	
Furniture, Fixtures, and Equipment	60,963
Less: Accumulated Depreciation	(14,411)
Total Noncurrent Assets	<u>46,552</u>

Total Assets	<u>338,626</u>
---------------------	----------------

Deferred Outflows - Pension Related	<u>489,596</u>
--	----------------

LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accounts Payable	79,879
Accrued Liabilities	97,516
Total Current Liabilities	<u>177,395</u>

Noncurrent Liabilities:

Net Pension Liability	1,405,884
Total Noncurrent Liabilities	<u>1,405,884</u>

Total Liabilities	<u>1,583,279</u>
--------------------------	------------------

Deferred Inflows - Pension Related	<u>148,719</u>
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NET POSITION

Investment in Capital Assets	46,552
Restricted	66,910
Unrestricted (Deficit)	(1,017,238)
Total Net Position	<u>\$ (903,776)</u>

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STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Uplift Community School
Statement of Activities
For The Year Ended June 30, 2015

Functions/Programs	Program Revenues				Net (Expenses) Revenues and Changes in Net Position
	Expenses	Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 863,872	-	104,210	-	(759,662)
Support Services:					
Students	59,871	-	-	-	(59,871)
Instruction	4,230	-	-	-	(4,230)
General Administration	31,434	-	-	-	(31,434)
School Administration	165,609	-	-	-	(165,609)
Central Services	92,673	-	-	-	(92,673)
Operation & Maintenance of Plant	164,735	-	-	-	(164,735)
Student Transportation	88,835	-	100,969	-	12,134
Food Services	94,856	7,023	38,718	-	(49,115)
Facilities Materials, Supplies & Other Services	92,400	-	-	92,400	-
Total Governmental Activities	\$ 1,658,515	7,023	243,897	92,400	(1,315,195)
General Revenues:					
State Equalization Guarantee					\$ 1,145,738
Total General Revenues					1,145,738
Change in Net Position					(169,457)
Net Position- Beginning of Year					178,801
Restatement					(913,120)
Net Position, as Restated					(734,319)
Net Position, Ending					\$ (903,776)

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Uplift Community School
Balance Sheets - Governmental Funds
June 30, 2015

	Operational 11000	Pupil Transportation 13000	Instructional Materials 14000	Food Services 21000
ASSETS				
Cash and Cash Equivalents	\$ 79,514	134,542	5,578	-
Accounts Receivable				
Due from Government	-	-	-	12,091
Due from Other Funds	66,652	-	-	-
Total Assets	\$ 146,166	134,542	5,578	12,091
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 1,960	77,919	-	-
Accrued Expenditures	96,437	-	-	855
Due to Other Funds	-	-	-	6,662
Total Liabilities	98,397	77,919	-	7,517
Fund Balances				
Fund Balance:				
Restricted for:				
Instruction	-	-	5,578	-
Food Service Operations	-	-	-	4,574
Student Transportation	-	56,623	-	-
Unassigned	47,769	-	-	-
Total Fund Balance	47,769	56,623	5,578	4,574
Total Liabilities and Fund Balances	\$ 146,166	134,542	5,578	12,091

Title I IASA 24101	IDEA-B Entitlement 24106	IDEA-B Risk Pool 24120	Teacher Principal Training 24154	Title XIX Medicaid 3/21 Years 25153	New Mexico Reads 27114
-	-	-	-	135	-
9,208	1,705	40	-	-	26,161
-	-	-	-	-	-
<u>9,208</u>	<u>1,705</u>	<u>40</u>	<u>-</u>	<u>135</u>	<u>26,161</u>
-	-	-	-	-	-
-	-	-	-	-	224
9,208	1,705	40	-	-	25,937
<u>9,208</u>	<u>1,705</u>	<u>40</u>	<u>-</u>	<u>-</u>	<u>26,161</u>
-	-	-	-	135	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	135	-
<u>9,208</u>	<u>1,705</u>	<u>40</u>	<u>-</u>	<u>135</u>	<u>26,161</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Uplift Community School
Balance Sheets - Governmental Funds (Continued)
June 30, 2015

	Public School Capital Outlay 31200	Total
	<u>31200</u>	<u>Total</u>
ASSETS		
Cash and Cash Equivalents	\$ -	219,769
Accounts Receivable		
Due from Government	23,100	72,305
Due from Other Funds	-	66,652
	<u>23,100</u>	<u>66,652</u>
Total Assets	\$ 23,100	358,726
	<u>23,100</u>	<u>358,726</u>
LIABILITIES AND FUND BALANCES		
<i>Liabilities:</i>		
Accounts Payable	\$ -	79,879
Accrued Expenditures	-	97,516
Due to Other Funds	23,100	66,652
	<u>23,100</u>	<u>66,652</u>
Total Liabilities	23,100	244,047
	<u>23,100</u>	<u>244,047</u>
<i>Fund Balances</i>		
Fund Balance:		
Restricted for:		
Instruction	-	5,713
Food Service Operations	-	4,574
Student Transportation	-	56,623
Unassigned	-	47,769
	<u>-</u>	<u>114,679</u>
Total Fund Balance	-	114,679
	<u>-</u>	<u>114,679</u>
Total Liabilities and Fund Balances	\$ 23,100	358,726
	<u>23,100</u>	<u>358,726</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Uplift Community School
Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
June 30, 2015

Fund Balance - Total Governmental Funds **\$ 114,679**

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

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

Capital Assets	60,963	
Accumulated Depreciation	<u>(14,411)</u>	46,552

Defined benefit pension plan deferred outflows are not
 financial resources and, therefore, are not reported in the
 funds. 489,596

Long-term liabilities are not due in the current period and,
 therefore, are not reported in the funds.
 Net Pension Liability (1,405,884)

Defined benefit pension plan deferred inflows are not due and
 payable in the current period and, therefore, are not reported
 in the funds. (148,719)

Net Position-Total Governmental Activities **\$ (903,776)**

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Uplift Community School
Statement of Revenues, Expenditures, and Changes In Fund Balances
Governmental Funds
For The Year Ended June 30, 2015

	Operational 11000	Pupil Transportation 13000	Instructional Materials 14000	Food Services 21000
REVENUES				
Local & County Grant	\$ 5,533	-	-	23
State Grant	1,145,738	100,969	10,885	-
Federal Grant	-	-	-	38,695
Charges for Services	-	-	-	7,023
Total Revenues	<u>1,151,271</u>	<u>100,969</u>	<u>10,885</u>	<u>45,741</u>
EXPENDITURES				
Current:				
Instruction	661,759	-	16,137	-
Support Services:				
Students	46,514	-	-	-
Instruction	4,230	-	-	-
General Administration	31,434	-	-	-
School Administration	137,769	-	-	-
Central Services	91,873	-	-	-
Operation & Maintenance of Plant	156,635	-	-	-
Student Transportation	4,078	84,757	-	-
Food Services Operations	41,810	-	-	43,579
Capital Outlay	-	-	-	-
Total Expenditures	<u>1,176,102</u>	<u>84,757</u>	<u>16,137</u>	<u>43,579</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(24,831)</u>	<u>16,212</u>	<u>(5,252)</u>	<u>2,162</u>
Net Changes in Fund Balances	<u>(24,831)</u>	<u>16,212</u>	<u>(5,252)</u>	<u>2,162</u>
Fund Balances - Beginning of Year	<u>72,600</u>	<u>40,411</u>	<u>10,830</u>	<u>2,412</u>
Fund Balances - End of Year	<u>\$ 47,769</u>	<u>56,623</u>	<u>5,578</u>	<u>4,574</u>

Title I IASA 24101	IDEA-B Entitlement 24106	IDEA-B Risk Pool 24120	Teacher Principal Training 24154	Title XIX Medicaid 3/21 Years 25153	New Mexico Reads 27114
-	-	-	-	-	-
-	-	-	-	-	50,000
20,079	13,317	40	4,140	216	-
-	-	-	-	-	-
<u>20,079</u>	<u>13,317</u>	<u>40</u>	<u>4,140</u>	<u>216</u>	<u>50,000</u>
20,079	-	-	1,620	81	50,000
-	13,317	40	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	1,973	-	-
-	-	-	800	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>20,079</u>	<u>13,317</u>	<u>40</u>	<u>4,393</u>	<u>81</u>	<u>50,000</u>
-	-	-	(253)	135	-
-	-	-	(253)	135	-
-	-	-	253	-	-
-	-	-	-	135	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>135</u>	<u>-</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Uplift Community School
Statement of Revenues, Expenditures, and Changes In Fund Balances - Continued
Governmental Funds
For The Year Ended June 30, 2015

	Public School Capital Outlay 31200	Total
REVENUES		
Local & County Grant	\$ -	5,556
State Grant	92,400	1,399,992
Federal Grant	-	76,487
Charges for Services	-	7,023
Total Revenues	<u>92,400</u>	<u>1,489,058</u>
EXPENDITURES		
Current:		
Instruction	-	749,676
Support Services:		
Students	-	59,871
Instruction	-	4,230
General Administration	-	31,434
School Administration	-	139,742
Central Services	-	92,673
Operation & Maintenance of Plant	-	156,635
Student Transportation	-	88,835
Food Services Operations	-	85,389
Capital Outlay	92,400	92,400
Total Expenditures	<u>92,400</u>	<u>1,500,885</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>(11,827)</u>
Net Changes in Fund Balances	<u>-</u>	<u>(11,827)</u>
Fund Balances - Beginning of Year	<u>-</u>	<u>126,506</u>
Fund Balances - End of Year	<u>\$ -</u>	<u>114,679</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Uplift Community School
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2015

Net Change in Fund Balances-Total Governmental Funds **\$ (11,827)**

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

Capital outlays to purchase or build capital assets are reported in
 governmental funds as expenditures. However, for governmental activities
 those costs are shown in the Statement of Net Position and allocated over
 their estimated useful lives as annual depreciation expenses in the
 Statement of Activities. This is the amount by which capital outlay exceeds
 depreciation for the period

Depreciation Expense (5,743)

The issuance of long-term debt (e.g., bonds, notes, leases) provide current
 financial resources to governmental funds, while the repayment of the
 principal of long-term debt consumes the current financial resources of
 governmental funds. Neither transaction, however, has any effect on net
 position.

Changes in Net Pension Liability (151,887)

Change in Net Position-Total Governmental Activities **\$ (169,457)**

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Uplift Community School
 Statement of Fiduciary Assets and Liabilities- Agency Funds
 June 30, 2015

	<u>Agency</u>
ASSETS	
Cash in Bank	\$ 385
Total Assets	<u>\$ 385</u>
LIABILITIES	
Deposits Held for Others	\$ 385
Total Liabilities	<u>\$ 385</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Uplift Community School
 Schedule of Changes in Assets and Liabilities - Agency Funds
 For The Year Ended June 30, 2015

	<u>Balance</u> <u>July 1, 2014</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2015</u>
ASSETS				
Cash in Bank	\$ 70	3,528	(3,213)	385
Total Assets	<u>\$ 70</u>	<u>3,528</u>	<u>(3,213)</u>	<u>385</u>
LIABILITIES				
Deposits Held for Others	\$ 70	3,528	(3,213)	385
Total Liabilities	<u>\$ 70</u>	<u>3,528</u>	<u>(3,213)</u>	<u>385</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Uplift Community School
Notes to the Financial Statements
June 30, 2015

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Capital Assets. Capital assets purchased or acquired are 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 Uplift Community School’s capitalization policy (i.e., the dollar value above which the asset acquisitions are added to the capital accounts) is \$5,000. The Uplift Community School does not capitalize any interest with regard to its capital assets.

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

Furniture, Fixtures and Equipment	5 years
Buildings and Improvements	40 years

Capital assets for the Uplift Community School are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB’s Fiduciary Net Position have been determined on the economic resources measurement focus and accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 2. CAPITAL ASSETS

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

	<u>Balance</u> <u>June 30, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2015</u>
<i>Capital Assets being Depreciated:</i>				
Furniture, Fixtures and Equipment	\$ 60,963	-	-	60,963
<i>Total</i>	<u>60,963</u>	<u>-</u>	<u>-</u>	<u>60,963</u>
<i>Less: Accumulated Depreciation</i>				
Furniture, fixtures and equipment	(8,668)	(5,743)	-	(14,411)
<i>Total</i>	<u>(8,668)</u>	<u>(5,743)</u>	<u>-</u>	<u>(14,411)</u>
Capital Assets, Net	<u>\$ 52,295</u>	<u>(5,743)</u>	<u>-</u>	<u>46,552</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Uplift Community School
Notes to the Financial Statements
June 30, 2015

NOTE 2. CAPITAL ASSETS (CONTINUED)

Depreciation expensed for the year ended June 30, 2015 was expensed to the following functions:

Instruction	\$ 1,976
Operation & Maintenance of Plant	3,767
Total	<u><u>\$ 5,743</u></u>

NOTE 3. COMMITMENTS AND LIABILITIES

The Uplift Community School leased equipment and facilities under long-term cancelable operating leases. Rental expense for the year ended June 30, 2015 was \$128,400. The Uplift Community School’s minimum future payments on this lease are as follows:

Year Ending June 30:	
2016	\$ 147,000
2017	164,400
Total	<u><u>\$ 311,400</u></u>

NOTE 4. RELATED PARTY TRANSACTIONS

The business manager services are performed by Vigil Group, which performed services for multiple state charter schools.

NOTE 5. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to the Uplift Community School and does not include general disclosure information pertaining to the New Mexico Educational Employees’ Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

Contributions. The contribution requirements of defined benefit plan members and Uplift Community School are established in state statute under Chapter 10, Article 11, NMSA 1978.

NOTE 5. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

The requirements may be amended by acts of the legislature. For the fiscal year ended June 30, 2014 employers contributed 13.15% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.10% of their gross annual salary. For fiscal year ended June 30, 2015 employers contributed 13.90%, and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 contributed an increased amount of 10.70% of their gross annual salary. Contributions to the pension plan from Uplift Community School were \$85,660 for the year ended June 30, 2015.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2013. The total ERB pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2014, using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date June 30, 2014. At June 30, 2015, Uplift Community School reported a liability of \$1,405,884 for its proportionate share of the net pension liability. Uplift Community School's proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2014. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2014, Uplift Community School's proportion was 0.02464% percent, which was an increase of 0.00867% from its proportion measured as of June 30, 2013.

For the year ended June 30, 2015, Uplift Community School recognized pension expense of \$237,547. At the June 30, 2015, Uplift Community School reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Uplift Community School
Notes to the Financial Statements
June 30, 2015

NOTE 5. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	20,939
Changes in assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	127,780
Changes in proportion and differences between Uplift Community School contributions and proportionate share of contributions	403,936	-
Uplift Community School contributions subsequent to the measurement date	<u>85,660</u>	<u>-</u>
Total	<u>\$ 489,596</u>	<u>148,719</u>

\$85,660 reported as deferred outflows of resources related to pensions resulting from Uplift Community School contributions subsequent to the measurement date June 30, 2014 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2016	\$ (101,034)
2017	(101,034)
2018	(85,076)
2019	<u>31,927</u>
Total	<u>\$ (255,217)</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Uplift Community School
 Notes to the Financial Statements
 June 30, 2015

NOTE 5. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

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

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
Uplift Community School's proportionate share of the net pension liability	\$ 1,912,869	1,405,884	982,252

Payables to the pension plan. At June 30, 2015 Uplift Community School recorded a payable to the ERB for \$22,893 which was been paid in full.

NOTE 6. BUDGETARY OVERAGE

Uplift Community School has expended in excess of the budget in the following funds and functions:

Operational Fund (11000) - Food Service Operations	\$22,533
Teacher Principal Training (24154) – Support Services	\$ 1,165
Title XIX Medicaid 3/21 Years (25153) – Instruction	\$ 81

NOTE 7. RESTATEMENT

As a result of implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, net position at June 30, 2014 was restated in the amount of \$(913,120).

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Uplift Community School
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2015

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.02%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 1,406	-	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 679	-	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	207.04%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30, 2014

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Uplift Community School
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2015

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 89	-	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	89	-	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ -	-	-	-	-	-	-	-	-	-

Year	Total Amount Deferred	Amortization Years	Increase (Decrease) in Pension Expense over Recognition Periods										
			2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	
2014	\$ (255)	5	\$ (101)	(101)	(85)	32	-	-	-	-	-	-	-
2015	-	5	-	-	-	-	-	-	-	-	-	-	-
2016	-	5	-	-	-	-	-	-	-	-	-	-	-
2017	-	5	-	-	-	-	-	-	-	-	-	-	-
2018	-	5	-	-	-	-	-	-	-	-	-	-	-
2019	-	5	-	-	-	-	-	-	-	-	-	-	-
2020	-	5	-	-	-	-	-	-	-	-	-	-	-
2021	-	5	-	-	-	-	-	-	-	-	-	-	-
2022	-	5	-	-	-	-	-	-	-	-	-	-	-
2023	-	5	-	-	-	-	-	-	-	-	-	-	-
	\$ (255)		\$ (101)	(101)	(85)	32	-	-	-	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Uplift Community School
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Local & County Grant	\$ -	3,637	5,533	1,896
State Grant	1,414,858	1,145,739	1,145,738	(1)
Total Revenues	1,414,858	1,149,376	1,151,271	1,895
EXPENDITURES				
Current:				
Instruction	909,987	714,037	662,890	51,147
Support Services:				
Students	44,250	44,250	49,794	(5,544)
Instruction	6,200	6,200	4,230	1,970
General Administration	34,954	35,954	33,559	2,395
School Administration	140,080	143,080	137,769	5,311
Central Services	129,217	94,716	95,619	(903)
Operation & Maintenance of Plant	135,170	178,671	161,583	17,088
Student Transportation	-	3,636	4,078	(442)
Food Services Operations	15,000	20,000	42,533	(22,533)
Total Expenditures	1,414,858	1,240,544	1,192,055	48,489
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	(91,168)	(40,784)	50,384
Net Changes in Fund Balances	-	(91,168)	(40,784)	50,384
Cash or Fund Balances - Beginning of Year	94,375	94,375	94,375	-
Cash or Fund Balances - End of Year	\$ 94,375	3,207	53,591	50,384
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (40,784)	
Adjustments to Expenditures			15,953	
NET CHANGE IN FUND BALANCE			\$ (24,831)	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Uplift Community School
Schedule of Budgetary Comparisons - Budgetary Basis
Pupil Transportation 13000
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 118,130	100,969	100,969	-
Total Revenues	<u>118,130</u>	<u>100,969</u>	<u>100,969</u>	<u>-</u>
EXPENDITURES				
Current:				
Student Transportation	118,130	100,969	84,757	16,212
Total Expenditures	<u>118,130</u>	<u>100,969</u>	<u>84,757</u>	<u>16,212</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	16,212	16,212
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>16,212</u>	<u>16,212</u>
Cash or Fund Balances - Beginning of Year	<u>118,330</u>	<u>118,330</u>	<u>118,330</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ 118,330</u>	<u>118,330</u>	<u>134,542</u>	<u>16,212</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 16,212	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 16,212</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Uplift Community School
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 7,977	7,977	10,885	2,908
Total Revenues	<u>7,977</u>	<u>7,977</u>	<u>10,885</u>	<u>2,908</u>
EXPENDITURES				
Current:				
Instruction	16,839	16,839	16,137	702
Total Expenditures	<u>16,839</u>	<u>16,839</u>	<u>16,137</u>	<u>702</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(8,862)</u>	<u>(8,862)</u>	<u>(5,252)</u>	<u>3,610</u>
Net Changes in Fund Balances	<u>(8,862)</u>	<u>(8,862)</u>	<u>(5,252)</u>	<u>3,610</u>
Cash or Fund Balances - Beginning of Year	<u>10,830</u>	<u>10,830</u>	<u>10,830</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ 1,968</u>	<u>1,968</u>	<u>5,578</u>	<u>3,610</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (5,252)	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (5,252)</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Uplift Community School
Schedule of Budgetary Comparisons - Budgetary Basis
Food Services 21000
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Local & County Grant	\$ -	-	23	23
Federal Grant	34,200	34,200	31,568	(2,632)
Charges for Services	13,500	13,500	7,023	(6,477)
Total Revenues	<u>47,700</u>	<u>47,700</u>	<u>38,614</u>	<u>(9,086)</u>
EXPENDITURES				
Current:				
Food Services Operations	47,700	47,700	43,579	4,121
Total Expenditures	<u>47,700</u>	<u>47,700</u>	<u>43,579</u>	<u>4,121</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(4,965)	(4,965)
Net Changes in Fund Balances	-	-	(4,965)	(4,965)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(4,965)</u>	<u>(4,965)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (4,965)	
Adjustments to Revenues			<u>7,127</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 2,162</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Uplift Community School
Schedule of Budgetary Comparisons - Budgetary Basis
Title I IASA 24101
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 46,162	46,162	33,069	(13,093)
Total Revenues	<u>46,162</u>	<u>46,162</u>	<u>33,069</u>	<u>(13,093)</u>
EXPENDITURES				
Current:				
Instruction	46,162	46,162	34,959	11,203
Total Expenditures	<u>46,162</u>	<u>46,162</u>	<u>34,959</u>	<u>11,203</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(1,890)</u>	<u>(1,890)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(1,890)</u>	<u>(1,890)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(1,890)</u>	<u>(1,890)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (1,890)	
Adjustments to Revenues			(12,990)	
Adjustments to Expenditures			<u>14,880</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Uplift Community School
 Schedule of Budgetary Comparisons - Budgetary Basis
 IDEA-B Entitlement 24106
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ -	30,569	19,800	(10,769)
Total Revenues	<u>-</u>	<u>30,569</u>	<u>19,800</u>	<u>(10,769)</u>
EXPENDITURES				
Current:				
Support Services:				
Students	-	30,569	13,317	17,252
Total Expenditures	<u>-</u>	<u>30,569</u>	<u>13,317</u>	<u>17,252</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>6,483</u>	<u>6,483</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>6,483</u>	<u>6,483</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>6,483</u>	<u>6,483</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 6,483	
Adjustments to Revenues			<u>(6,483)</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Uplift Community School
 Schedule of Budgetary Comparisons - Budgetary Basis
 IDEA-B Risk Pool 24120
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ -	40	25,442	25,402
Total Revenues	<u>-</u>	<u>40</u>	<u>25,442</u>	<u>25,402</u>
EXPENDITURES				
Current:				
Support Services:				
Students	-	40	40	-
Total Expenditures	<u>-</u>	<u>40</u>	<u>40</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>25,402</u>	<u>25,402</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>25,402</u>	<u>25,402</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>25,402</u>	<u>25,402</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 25,402	
Adjustments to Revenues			<u>(25,402)</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Uplift Community School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Teacher Principal Training 24154
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ 6,514	6,514	10,056	3,542
Total Revenues	<u>6,514</u>	<u>6,514</u>	<u>10,056</u>	<u>3,542</u>
EXPENDITURES				
Current:				
Instruction	4,250	4,250	1,620	2,630
Support Services:				
School Administration	1,764	1,764	1,973	(209)
Central Services	500	500	1,456	(956)
Total expenditures	<u>6,514</u>	<u>6,514</u>	<u>5,049</u>	<u>1,465</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	5,007	5,007
Net changes in Fund Balances	-	-	5,007	5,007
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>5,007</u>	<u>5,007</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 5,007	
Adjustments to Revenues			(5,916)	
Adjustments to Expenditures			656	
NET CHANGE IN FUND BALANCE			<u>\$ (253)</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Uplift Community School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Title XIX Medicaid 3/21 Years 25153
 For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
Federal Grant	\$ -	216	216	-
Total Revenues	<u>-</u>	<u>216</u>	<u>216</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	-	-	81	(81)
Support Services:				
Students	-	216	-	216
Total Expenditures	<u>-</u>	<u>216</u>	<u>81</u>	<u>135</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>135</u>	<u>135</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>135</u>	<u>135</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>135</u>	<u>135</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 135	
Adjustments to revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 135</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Uplift Community School
Schedule of Budgetary Comparisons - Budgetary Basis
New Mexico Reads 27114
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ 50,000	50,000	23,839	(26,161)
Total Revenues	<u>50,000</u>	<u>50,000</u>	<u>23,839</u>	<u>(26,161)</u>
EXPENDITURES				
Current:				
Instruction	50,000	50,000	50,000	-
Total Expenditures	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	-	-	(26,161)	(26,161)
Net Changes in Fund Balances	-	-	(26,161)	(26,161)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(26,161)</u>	<u>(26,161)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ (26,161)	
Adjustments to Revenues			<u>26,161</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Uplift Community School
Schedule of Budgetary Comparisons - Budgetary Basis
Public School Capital Outlay 31200
For The Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
REVENUES				
State Grant	\$ -	92,400	69,300	(23,100)
Total Revenues	<u>-</u>	<u>92,400</u>	<u>69,300</u>	<u>(23,100)</u>
EXPENDITURES				
Capital Outlay	-	92,400	92,400	-
Total Expenditures	<u>-</u>	<u>92,400</u>	<u>92,400</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(23,100)	(23,100)
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(23,100)</u>	<u>(23,100)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(23,100)</u>	<u>(23,100)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (23,100)	
Adjustments to Revenues			<u>23,100</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Uplift Community School
 Schedule of Collateral Pledged by Depository for Public Funds
 June 30, 2015

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2015</u>
Bank of Colorado	Zuni NM Public	98981RAE7	8/1/2016	\$ 126,951
				<u>\$ 126,951</u>

Total Cash per Schedule of Cash Accounts:	\$ 264,538
Less: FDIC coverage:	<u>(250,000)</u>
Uninsured Public Funds:	14,538
Collateral Requirement:	7,269
Pledged Collateral Held by Pledging Financial Institution:	<u>126,951</u>
Balance Over Collateralized:	<u>\$ 119,682</u>
Balance Uninsured and Uncollateralized at June 30, 2015:	<u>\$ -</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Uplift Community School
 Schedule of Cash Accounts
 June 30, 2015

<u>Bank Account Type</u>	<u>Bank of Colorado</u>
Checking - Operational Account	\$ 264,538
Total on Deposit	264,538
Reconciling Items	<u>(44,384)</u>
Reconciled Balance June 30, 2015	<u>220,154</u>
Less Agency Funds	<u>(385)</u>
Total Cash	<u><u>\$ 219,769</u></u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Uplift Community School
Cash Reconciliation
June 30, 2015

	Operational 11000	Transportation Fund 13000	Instructional Materials 14000	Food Services 21000
Cash, June 30, 2014	\$ 91,168	118,330	10,830	-
Add:				
2014-15 revenues	<u>1,151,270</u>	<u>100,969</u>	<u>10,885</u>	<u>38,614</u>
Total Cash Available	1,242,438	219,299	21,715	38,614
Less:				
2014-15 expenditures	(1,192,055)	(84,757)	(16,137)	(43,578)
Receivables/Payables	94,588	-	-	855
Outstanding Loans	<u>(67,308)</u>	<u>-</u>	<u>-</u>	<u>6,662</u>
Cash June 30, 2015	<u>77,663</u>	<u>134,542</u>	<u>5,578</u>	<u>2,553</u>
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	<u>1,851</u>	<u>-</u>	<u>-</u>	<u>(2,553)</u>
Cash Per Books	<u>79,514</u>	<u>134,542</u>	<u>5,578</u>	<u>-</u>
Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	<u>(31,745)</u>	<u>(77,919)</u>	<u>-</u>	<u>4,574</u>
Fund Balance, Modified Accrual Basis	<u>\$ 47,769</u>	<u>56,623</u>	<u>5,578</u>	<u>4,574</u>

Non-Instruct. Fund 23000	Federal Projects Account 24000	Federal Direct 25000	State Account 27000	Public School Capital Outlay 31200	Total
70	(99,312)	-	-	-	121,086
<u>3,528</u>	<u>140,816</u>	<u>216</u>	<u>23,839</u>	<u>69,300</u>	<u>1,539,437</u>
3,598	41,504	216	23,839	69,300	1,660,523
(3,213)	(53,366)	(81)	(50,000)	(92,400)	(1,535,587)
-	-	-	224	-	95,667
-	<u>11,862</u>	-	-	-	<u>(48,784)</u>
<u>385</u>	<u>-</u>	<u>135</u>	<u>(25,937)</u>	<u>(23,100)</u>	<u>171,819</u>
-	-	-	25,937	23,100	48,335
<u>385</u>	<u>-</u>	<u>135</u>	<u>-</u>	<u>-</u>	<u>220,154</u>
Less: Activity Funds Per Schedule of Changes in Assets and Liabilities- Agency Fund:					<u>(385)</u>
					<u>\$ 219,769</u>
<u>(385)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(105,475)</u>
<u>-</u>	<u>-</u>	<u>135</u>	<u>-</u>	<u>-</u>	<u>114,679</u>
					<u>\$ 114,679</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Walatowa Charter High School
 Statement of Net Position
 June 30, 2015

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 847,823
Receivables	
Due from Other Governments	129,350
Prepaid Expenses	12,789
Total Current Assets	<u>989,962</u>

Noncurrent Assets:

Capital Assets	
Furniture, Fixtures, and Equipment	8,755
Less: Accumulated Depreciation	<u>(7,942)</u>
Total Noncurrent Assets	<u>813</u>
Total Assets	<u>990,775</u>

Deferred Outflows - Pension Related	<u>181,696</u>
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LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accounts Payable	50
Accrued Liabilities	7,017
Compensated Absences	17,806
Total Current Liabilities	<u>24,873</u>

Noncurrent Liabilities:

Net Pension Liability	<u>947,714</u>
Total Noncurrent Liabilities	<u>947,714</u>
Total Liabilities	<u>972,587</u>

Deferred Inflows - Pension Related	<u>100,261</u>
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NET POSITION

Investment in Capital Assets	813
Restricted	129,846
Unrestricted (Deficit)	<u>(31,036)</u>
Total Net Position	<u>\$ 99,623</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Walatowa Charter High School
Statement of Activities
For The Year Ended June 30, 2015

Functions/Programs	Program Revenues				Net (Expenses) Revenues and Changes in Net Position
	Expenses	Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 527,881	-	320,335	-	(207,546)
Support Services:					
Students	51,696	-	-	-	(51,696)
Instruction	64,090	-	-	-	(64,090)
General Administration	24,812	-	-	-	(24,812)
School Administration	145,404	-	-	-	(145,404)
Central Services	110,288	-	-	-	(110,288)
Operation & Maintenance of Plant	44,544	-	-	-	(44,544)
Student Transportation	2,331	-	-	-	(2,331)
Food Services	64,071	-	-	-	(64,071)
Facilities Materials, Supplies & Other Services	51,594	-	-	46,201	(5,393)
Total Governmental Activities	\$ 1,086,711	-	320,335	46,201	(720,175)
General Revenues:					
Property Taxes					\$ 3,546
State Equalization Guarantee					858,879
Total General Revenues					<u>862,425</u>
Change in Net Position					142,250
Net Position- Beginning					784,722
Restatement recognized by GASB 68					<u>(827,349)</u>
Net position (Deficit), as restated					<u>(42,627)</u>
Net position, Ending					<u>\$ 99,623</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Walatowa Charter High School
Balance Sheets - Governmental Funds
June 30, 2015

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101
ASSETS				
Cash and Cash Equivalents	\$ 738,125	34,264	14,986	690
Accounts Receivable				
Due from Government	5,167	-	2,218	2,188
Due from Other Funds	120,567	-	-	-
Prepaid Expenditures	5,679	-	-	-
Total Assets	\$ 869,538	34,264	17,204	2,878
LIABILITIES AND FUND BALANCES				
<i>Liabilities:</i>				
Accounts Payable	\$ 50	-	-	-
Accrued Expenditures	6,873	-	-	5
Due to Other Funds	-	-	-	-
Total Liabilities	6,923	-	-	5
<i>Fund Balances (Deficit)</i>				
Fund Balance:				
Nonspendable:				
Prepaid Expenditures	5,679	-	-	-
Restricted for:				
Instruction	-	34,264	-	2,873
Food Service Operations	-	-	17,204	-
Assigned to:				
Subsequent Years Expenditures and Other Programs	856,936	-	-	-
Total Fund Balance (Deficit)	862,615	34,264	17,204	2,873
<i>Total Liabilities and Fund Balances (Deficit)</i>	\$ 869,538	34,264	17,204	2,878

The accompanying notes are an integral part of these financial statements

IDEA-B Entitlement 24106	Teacher Principal Training 24154	Title VII Indian Education 24155	Impact Aid Special Education 25145	Impact Aid Special Indian 25147	New Mexico Gear Up 25205
2,399	-	15,249	19,380	15,217	-
789	4,753	-	-	-	82,615
-	-	-	-	-	-
-	-	-	-	-	7,110
3,188	4,753	15,249	19,380	15,217	89,725
-	-	-	-	-	-
-	-	-	-	-	116
-	4,753	-	-	-	80,330
-	4,753	-	-	-	80,446
-	-	-	-	-	7,110
3,188	-	15,249	19,380	15,217	2,169
-	-	-	-	-	-
-	-	-	-	-	-
3,188	-	15,249	19,380	15,217	9,279
3,188	4,753	15,249	19,380	15,217	89,725

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Walatowa Charter High School
Balance Sheets - Governmental Funds (Continued)
June 30, 2015

	Center for Native Education 26181	Dual Credit 27103	Risk PED 27107	Indian Education Act Appropriation 27150
ASSETS				
Cash and Cash Equivalents	\$ 5,583	-	-	-
Accounts Receivable				
Due from Government	-	-	-	28,074
Due from Other Funds	-	-	-	-
Prepaid Expenditures	-	-	-	-
Total Assets	\$ 5,583	-	-	28,074
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ -	-	-	-
Accrued Expenditures	-	-	-	23
Due to Other Funds	-	-	2,255	29,683
Total Liabilities	-	-	2,255	29,706
Fund Balances (Deficit)				
Fund Balance:				
Nonspendable:				
Prepaid Expenditures	-	-	-	-
Restricted for:				
Instruction	5,583	-	-	-
Food Service Operations	-	-	-	-
Assigned to:				
Subsequent Years Expenditures and Other Programs	-	-	(2,255)	(1,632)
Total Fund Balance (Deficit)	5,583	-	(2,255)	(1,632)
Total Liabilities and Fund Balances (Deficit)	\$ 5,583	-	-	28,074

The accompanying notes are an integral part of these financial statements

New Mexico Gear Up 28178	Private Dir Grant 29102	Public Schools Capital Outlay 31200	Capital Improvements SB-9 31700	Total
1,132	798	-	-	847,823
-	-	-	3,546	129,350
-	-	-	-	120,567
-	-	-	-	12,789
<u>1,132</u>	<u>798</u>	<u>-</u>	<u>3,546</u>	<u>1,110,529</u>
-	-	-	-	50
-	-	-	-	7,017
-	-	-	3,546	120,567
-	-	-	3,546	127,634
-	-	-	-	12,789
1,132	798	-	-	99,853
-	-	-	-	17,204
-	-	-	-	853,049
<u>1,132</u>	<u>798</u>	<u>-</u>	<u>-</u>	<u>982,895</u>
<u>1,132</u>	<u>798</u>	<u>-</u>	<u>3,546</u>	<u>1,110,529</u>

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STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Walatowa Charter High School
Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
June 30, 2015

Fund Balance - Total Governmental Funds **\$ 982,895**

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

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

Capital Assets	8,755	
Accumulated Depreciation	(7,942)	
		813

Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds.		181,696
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Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds.		(100,261)
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The net pension liability is not due and payable in the current period and, therefore, is not reported in the funds.		(947,714)
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Long-term liabilities are not due in the current period and, therefore, are not reported in the funds.		
Compensated Absences	(17,806)	

Net Position-Total Governmental Activities		\$ 99,623
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The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Walatowa Charter High School
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit)
Governmental Funds
For The Year Ended June 30, 2015

	Operational 11000	Instructional Materials 14000	Food Services 21000	Title I IASA 24101
REVENUES				
Local & County Grant	\$ -	-	-	-
State Grant	858,879	4,068	-	-
Federal Grant	-	-	35,435	16,126
Miscellaneous Income	12,330	-	-	-
Total Revenues	<u>871,209</u>	<u>4,068</u>	<u>35,435</u>	<u>16,126</u>
EXPENDITURES				
Current:				
Instruction	321,408	-	-	-
Support Services:				
Students	23,863	-	-	-
Instruction	-	-	-	16,126
General Administration	23,924	-	-	-
School Administration	140,191	-	-	-
Central Services	104,888	-	-	-
Operation & Maintenance of Plant	42,950	-	-	-
Student Transportation	1,048	-	-	-
Food Services Operations	35,177	-	26,601	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>693,449</u>	<u>-</u>	<u>26,601</u>	<u>16,126</u>
Net Changes in Fund Balances	<u>177,760</u>	<u>4,068</u>	<u>8,834</u>	<u>-</u>
Fund Balances(Deficit) - Beginning of Year	<u>684,855</u>	<u>30,196</u>	<u>8,370</u>	<u>2,873</u>
Fund Balances (Deficit) - End of Year	<u>\$ 862,615</u>	<u>34,264</u>	<u>17,204</u>	<u>2,873</u>

The accompanying notes are an integral part of these financial statements

IDEA-B Entitlement 24106	Teacher Principal Training 24154	Title VII Indian Education 24155	Impact Aid Special Education 25145	Impact Aid Special Indian 25147	New Mexico Gear Up 25205
-	-	-	-	-	2,500
-	-	-	-	-	-
3,223	4,753	8,000	2,231	7,938	197,950
-	-	-	-	-	-
<u>3,223</u>	<u>4,753</u>	<u>8,000</u>	<u>2,231</u>	<u>7,938</u>	<u>200,450</u>
-	-	-	-	10,712	156,958
3,223	-	-	-	12,428	10,331
-	4,753	-	1,703	-	38,831
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	1,453	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>3,223</u>	<u>4,753</u>	<u>-</u>	<u>1,703</u>	<u>24,593</u>	<u>206,120</u>
-	-	8,000	528	(16,655)	(5,670)
<u>3,188</u>	<u>-</u>	<u>7,249</u>	<u>18,852</u>	<u>31,872</u>	<u>14,949</u>
<u>3,188</u>	<u>-</u>	<u>15,249</u>	<u>19,380</u>	<u>15,217</u>	<u>9,279</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Walatowa Charter High School
Statement of Revenues, Expenditures, and Changes In Fund Balances (Deficit) - Continued
Governmental Funds
For The Year Ended June 30, 2015

	Center for Native Education 26181	Dual Credit 27103	Risk PED 27107	Indian Education Act Appropriation 27150
REVENUES				
Local & County Grant	\$ -	-	-	-
State Grant	-	1,045	-	24,586
Federal Grant	-	-	-	-
Miscellaneous Income	-	-	-	-
Total Revenues	<u>-</u>	<u>1,045</u>	<u>-</u>	<u>24,586</u>
EXPENDITURES				
Current:				
Instruction	-	1,045	-	24,642
Support Services:				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>-</u>	<u>1,045</u>	<u>-</u>	<u>24,642</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>(56)</u>
Fund Balances(Deficit) - Beginning of Year	<u>5,583</u>	<u>-</u>	<u>(2,255)</u>	<u>(1,576)</u>
Fund Balances (Deficit) - End of Year	<u>\$ 5,583</u>	<u>-</u>	<u>(2,255)</u>	<u>(1,632)</u>

The accompanying notes are an integral part of these financial statements

New Mexico Gear Up 28178	Private Dir Grant 29102	Public Schools Capital Outlay 31200	Capital Improvements SB-9 31700	Total
-	-	-	-	2,500
-	-	46,201	3,546	938,325
-	-	-	-	275,656
-	150	-	-	12,480
-	150	46,201	3,546	1,228,961
-	3,831	-	-	518,596
-	-	-	-	49,845
-	-	-	-	61,413
-	-	-	-	23,924
-	-	-	-	140,191
-	-	-	-	106,341
-	-	-	-	42,950
-	-	-	-	1,048
-	-	-	-	61,778
-	-	46,201	3,546	49,747
-	3,831	46,201	3,546	1,055,833
-	(3,681)	-	-	173,128
1,132	4,479	-	-	809,767
1,132	798	-	-	982,895

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Walatowa Charter High School
 Reconciliation of the Statement of Revenues, Expenditures, and Changes
 in Fund Balances of Governmental Funds to the Statement of Activities
 For the Year Ended June 30, 2015

Net Change in Fund Balances-Total Governmental Funds **\$ 173,128**

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

Change in Compensated Absences 9,252

Capital outlays to purchase or build capital assets are reported in
 governmental funds as expenditures. However, for governmental
 activities those costs are shown in the Statement of Net Position and
 allocated over their estimated useful lives as annual depreciation
 expenses in the Statement of Activities. This is the amount by which
 capital outlay exceeds depreciation for the period

Depreciation Expense (1,200)

Changes in long-term liabilities

Change in Net Pension Liability (38,930)

Change in Net Position-Total Governmental Activities **\$ 142,250**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Walatowa Charter High School
 Statement of Fiduciary Assets and Liabilities- Agency Funds
 June 30, 2015

	<u>Agency Funds</u>
ASSETS	
Cash in Bank	\$ 18,305
Total Assets	<u>\$ 18,305</u>
 LIABILITIES	
Deposits Held for Others	\$ 18,305
Total Liabilities	<u>\$ 18,305</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Walatowa Charter High School
Schedule of Changes in Assets and Liabilities - Agency Funds
For The Year Ended June 30, 2015

	<u>Balance</u> <u>July 1, 2014</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2015</u>
ASSETS				
Cash in Bank	\$ 12,019	20,078	(13,792)	18,305
Total Assets	<u>\$ 12,019</u>	<u>20,078</u>	<u>(13,792)</u>	<u>18,305</u>
LIABILITIES				
Deposits Held for Others	\$ 12,019	20,078	(13,792)	18,305
Total Liabilities	<u>\$ 12,019</u>	<u>20,078</u>	<u>(13,792)</u>	<u>18,305</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Walatowa High Charter School
Notes to the Financial Statements
June 30, 2015

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Capital Assets. Capital assets purchased or acquired are 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. Walatowa High Charter School capitalization policy (i.e., the dollar value above which the asset acquisitions are added to the capital accounts) is \$5,000. Walatowa High Charter School does not capitalize any interest with regard to its capital assets.

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

Furniture, Fixtures and Equipment 5 years

Capital assets for Walatowa High Charter School are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB’s Fiduciary Net Position have been determined on the economic resources measurement focus and accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 2. CAPITAL ASSETS

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

	Balance			Balance
	<u>June 30, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2015</u>
<i>Capital Assets being Depreciated:</i>				
Furniture, fixtures and equipment	\$ 8,755	-	-	8,755
<i>Total</i>	<u>8,755</u>	<u>-</u>	<u>-</u>	<u>8,755</u>
<i>Less: Accumulated Depreciation</i>				
Furniture, fixtures and equipment	(6,742)	(1,200)	-	(7,942)
<i>Total</i>	<u>(6,742)</u>	<u>(1,200)</u>	<u>-</u>	<u>(7,942)</u>
Capital Assets, Net	<u>\$ 2,013</u>	<u>(1,200)</u>	<u>-</u>	<u>813</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Walatowa High Charter School
Notes to the Financial Statements
June 30, 2015

NOTE 2. CAPITAL ASSETS (CONTINUED)

Depreciation expensed for the year ended June 30, 2015 was expensed to the following function:

Student Transportation	\$	1,200
Total	<u>\$</u>	<u>1,200</u>

NOTE 3. COMMITMENTS AND LIABILITIES

Walatowa High Charter School leases portable buildings under a cancellable operating lease. Rental expense for the year ended June 30, 2015 was \$46,201. Walatowa High Charter School's minimum future payments on the lease for the year ending June 30, 2016 is \$43,071.

NOTE 4. RELATED PARTIES TRANSACTIONS

Walatowa High Charter School is located on the Pueblo of Jemez (Pueblo). Walatowa High Charter School leases from the Pueblo the portable buildings exclusively used for educational purposes.

NOTE 5. COMPENSATED ABSENCES

Walatowa High Charter School had a compensated absences balance of \$27,058 at the beginning of the fiscal year. Decreases to the balance were \$9,252 which resulted in an ending balance of \$17,806. All of this balance is considered to be current.

NOTE 6. DEFICIT FUND BALANCE

The following funds had a deficit fund balance at June 30, 2015:

Risk PED - 27107	\$	2,255
Indian Education Act Appropriation		1,632

Walatowa High Charter School is addressing the negative fund balance and is planning on taking the appropriate actions to eliminate the negative balance.

NOTE 7. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to Walatowa High Charter School and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department. The aggregate amounts of principal maturities and interest of bonds payable are as follows:

Contributions. The contribution requirements of defined benefit plan members and Walatowa High Charter School are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year ended June 30, 2014, employers contributed 13.15% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.10% of their gross annual salary.

For fiscal year ended June 30, 2015 employers contributed 13.90% and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 contributed an increased amount of 10.70% of their gross annual salary. Contributions to the pension plan from Walatowa High Charter School was \$66,624 for the year ended June 30, 2015.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2013. The total ERB pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2014, using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date June 30, 2014. At June 30, 2015, Walatowa High Charter School reported a liability of \$947,714 for its proportionate share of the net pension liability. Walatowa High Charter School proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2014. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2014, Walatowa High Charter School's proportion was 0.01661%, which was an increase of 0.00247 from its proportion measured as of June 30, 2013.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Walatowa High Charter School
Notes to the Financial Statements
June 30, 2015

NOTE 7. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

For the year ended June 30, 2015, Walatowa High Charter School recognized pension expense of \$105,554. At June 30, 2015, Walatowa High Charter School reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 14,116
Net difference between projected and actual earnings on pension plan investments	-	86,145
Changes in proportion and differences Walatowa High Charter School contributions and proportionate share of contributions	115,072	-
Walatowa High Charter School contributions subsequent to the measurement date	<u>66,624</u>	<u>-</u>
Total	<u>\$ 181,696</u>	<u>100,261</u>

Walatowa High Charter School reported \$66,424 as deferred outflows of resources related to pensions resulting from Walatowa High Charter School contributions subsequent to the measurement date June 30, 2014 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2016	(13,517)
2017	(13,517)
2018	(9,310)
2019	<u>21,533</u>
Total	<u>\$(14,811)</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Walatowa High Charter School
Notes to the Financial Statements
June 30, 2015

NOTE 7. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

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

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
Walatowa High Charter School’s proportionate share of the net pension liability	\$ 1,289,476	947,714	662,204

Payables to the pension plan. At June 30, 2015, Walatowa High Charter School did not owe for ERB for fiscal year 2015 contributions.

NOTE 8. RESTATEMENT

As a result of implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pension*, net position at June 30, 2014 was restated in the amount of \$(827,349).

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
WALATOWA HIGH CHARTER SCHOOL
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2015

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.02%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 948	-	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 458	-	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	207.02%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30, 2014

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
WALATOWA HIGH CHARTER SCHOOL
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2015

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 60	-	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	60	-	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ -	-	-	-	-	-	-	-	-	-

Increase (Decrease) in Pension Expense over Recognition Periods

Year	Total Amount Deferred	Amortization Years	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
2014	\$ (15)	5		\$ (14)	(14)	(9)	22	-	-	-	-	-
2015	-	5			-	-	-	-	-	-	-	-
2016	-	5				-	-	-	-	-	-	-
2017	-	5					-	-	-	-	-	-
2018	-	5						-	-	-	-	-
2019	-	5							-	-	-	-
2020	-	5								-	-	-
2021	-	5									-	-
2022	-	5										-
2023	-	5										-
	\$ (15)			\$ (14)	(14)	(9)	22	-	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Walatowa Charter High School
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 858,450	858,879	858,879	-
Miscellaneous	-	10,429	12,330	1,901
Total Revenues	<u>858,450</u>	<u>869,308</u>	<u>871,209</u>	<u>1,901</u>
EXPENDITURES				
Current:				
Instruction	355,084	355,513	323,062	32,451
Support Services:				
Students	-	36,533	23,863	12,670
General Administration	32,300	32,000	23,924	8,076
School Administration	175,216	157,099	140,461	16,638
Central Services	138,584	120,468	104,888	15,580
Operation & Maintenance of Plant	127,066	137,495	42,950	94,545
Student Transportation	16,021	16,021	1,048	14,973
Food Services Operations	48,000	48,000	35,177	12,823
Total Expenditures	<u>892,271</u>	<u>903,129</u>	<u>695,373</u>	<u>207,756</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	<u>(33,821)</u>	<u>(33,821)</u>	<u>175,836</u>	<u>209,657</u>
Other Financing Sources (Uses):				
Designated Cash	33,821	33,821	-	(33,821)
Total Other Financing Sources (Uses):	<u>33,821</u>	<u>33,821</u>	<u>-</u>	<u>(33,821)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>175,836</u>	<u>175,836</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>684,855</u>	<u>684,855</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>860,691</u>	<u>860,691</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ 175,836	
Adjustments to Revenues			-	
Adjustments to Expenditures			1,924	
NET CHANGE IN FUND BALANCE			<u>\$ 177,760</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Walatowa Charter High School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Instructional Materials 14000
 For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 3,272	3,272	4,068	796
Total Revenues	3,272	3,272	4,068	796
EXPENDITURES				
Current:				
Instruction	31,200	31,200	-	31,200
Total Expenditures	31,200	31,200	-	31,200
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<i>(27,928)</i>	<i>(27,928)</i>	<i>4,068</i>	<i>31,996</i>
Other Financing Sources (Uses):				
Designated Cash	27,928	27,928	-	(27,928)
Total Other Financing Sources (Uses):	27,928	27,928	-	(27,928)
Net Changes in Fund Balances	-	-	4,068	4,068
Cash or Fund Balances - Beginning of Year	-	-	30,196	30,196
Cash or Fund Balances - End of Year	\$ -	-	34,264	34,264
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 4,068	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 4,068	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Walatowa Charter High School
Schedule of Budgetary Comparisons - Budgetary Basis
Food Services 21000
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 29,202	29,202	33,217	4,015
Total Revenues	29,202	29,202	33,217	4,015
EXPENDITURES				
Current:				
Food Services Operations	30,343	30,343	26,601	3,742
Total Expenditures	30,343	30,343	26,601	3,742
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<i>(1,141)</i>	<i>(1,141)</i>	<i>6,616</i>	<i>7,757</i>
Other Financing Sources (Uses):				
Designated Cash	1,141	1,141	-	(1,141)
Total Other Financing Sources (Uses):	1,141	1,141	-	(1,141)
Net Changes in Fund Balances	-	-	6,616	6,616
Cash or Fund Balances - Beginning of Year	-	-	8,370	8,370
Cash or Fund Balances - End of Year	\$ -	-	14,986	14,986
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 6,616	
Adjustments to Revenues			2,218	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 8,834	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Walatowa Charter High School
Schedule of Budgetary Comparisons - Budgetary Basis
Title I IASA 24101
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 18,856	30,678	13,938	(16,740)
Total Revenues	<u>18,856</u>	<u>30,678</u>	<u>13,938</u>	<u>(16,740)</u>
EXPENDITURES				
Current:				
Instruction	18,856	30,678	16,126	14,552
Total Expenditures	<u>18,856</u>	<u>30,678</u>	<u>16,126</u>	<u>14,552</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(2,188)	(2,188)
Net Changes in Fund Balances	-	-	(2,188)	(2,188)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(2,188)</u>	<u>(2,188)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (2,188)	
Adjustments to Revenues			2,188	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Walatowa Charter High School
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Entitlement 24106
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ -	29,573	2,434	(27,139)
Total Revenues	<u>-</u>	<u>29,573</u>	<u>2,434</u>	<u>(27,139)</u>
EXPENDITURES				
Current:				
Support Services:				
Students	-	29,573	3,223	26,350
Total Expenditures	<u>-</u>	<u>29,573</u>	<u>3,223</u>	<u>26,350</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(789)</u>	<u>(789)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(789)</u>	<u>(789)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>3,188</u>	<u>3,188</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>2,399</u>	<u>2,399</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (789)	
Adjustments to Revenues			789	
Adjustments to Expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Walatowa Charter High School
Schedule of Budgetary Comparisons - Budgetary Basis
Teacher Principal Training 24154
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 3,278	10,797	-	(10,797)
Total Revenues	<u>3,278</u>	<u>10,797</u>	<u>-</u>	<u>(10,797)</u>
EXPENDITURES				
Current:				
Instruction	3,278	10,797	4,753	6,044
Total expenditures	<u>3,278</u>	<u>10,797</u>	<u>4,753</u>	<u>6,044</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(4,753)</u>	<u>(4,753)</u>
Net changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(4,753)</u>	<u>(4,753)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(4,753)</u>	<u>(4,753)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (4,753)	
Adjustments to Revenues			4,753	
Adjustments to Expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Walatowa Charter High School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Title VII Indian Education 24155
 For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ -	8,000	8,000	-
Total Revenues	<u>-</u>	<u>8,000</u>	<u>8,000</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	-	8,000	-	8,000
Total Expenditures	<u>-</u>	<u>8,000</u>	<u>-</u>	<u>8,000</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	8,000	8,000
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>8,000</u>	<u>8,000</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>8,000</u>	<u>8,000</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 8,000	
Adjustments to revenues			-	
Adjustments to expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 8,000</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Walatowa Charter High School
Schedule of Budgetary Comparisons - Budgetary Basis
Impact Aid Special Education 25145
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ -	2,231	2,231	-
Total Revenues	<u>-</u>	<u>2,231</u>	<u>2,231</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	2,684	13,400	1,703	11,697
Support Services:				
Students	-	5,000	-	5,000
Total Expenditures	<u>2,684</u>	<u>18,400</u>	<u>1,703</u>	<u>16,697</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(2,684)</u>	<u>(16,169)</u>	<u>528</u>	<u>16,697</u>
Other financing sources (uses):				
Designated Cash	2,684	16,169	-	(16,169)
Total other financing sources (uses):	<u>2,684</u>	<u>16,169</u>	<u>-</u>	<u>(16,169)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>528</u>	<u>528</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>528</u>	<u>528</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>1,056</u>	<u>1,056</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 528	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 528</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Walatowa Charter High School
Schedule of Budgetary Comparisons - Budgetary Basis
Impact Aid Special Indian 25147
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ -	7,938	7,938	-
Total Revenues	-	7,938	7,938	-
EXPENDITURES				
Current:				
Instruction	-	25,062	10,712	14,350
Support Services:				
Students	-	12,985	12,426	559
Central Services	-	5,510	1,453	4,057
Operation & Maintenance of Plant	-	2,000	-	2,000
Total Expenditures	-	45,557	24,591	20,966
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	(37,619)	(16,653)	20,966
Other financing sources (uses):				
Designated Cash	-	31,872	-	(31,872)
Total other financing sources (uses):	-	31,872	-	(31,872)
Net Changes in Fund Balances	-	(5,747)	(16,653)	(10,906)
Cash or Fund Balances - Beginning of Year	-	-	31,872	31,872
Cash or Fund Balances - End of Year	\$ -	(5,747)	15,219	20,966
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>				
Adjustments to Revenues			\$ (16,653)	
Adjustments to Expenditures			(2)	
NET CHANGE IN FUND BALANCE			<u>\$ (16,655)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Walatowa Charter High School
Schedule of Budgetary Comparisons - Budgetary Basis
"GEAR UP" NM State Initiatives 25205
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Local & County Grant	\$ -	-	2,500	2,500
Federal Grant	220,000	220,000	115,336	(104,664)
Total Revenues	220,000	220,000	117,836	(102,164)
EXPENDITURES				
Current:				
Instruction	170,900	170,700	154,408	16,292
Support Services:				
Students	10,351	10,351	10,331	20
Instruction	38,749	38,949	38,831	118
Total Expenditures	220,000	220,000	203,570	16,430
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(85,734)	(85,734)
Net Changes in Fund Balances	-	-	(85,734)	(85,734)
Cash or Fund Balances - Beginning of Year	-	-	14,949	14,949
Cash or Fund Balances - End of Year	\$ -	-	(70,785)	(70,785)
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (85,734)	
Adjustments to Revenues			82,615	
Adjustments to Expenditures			(2,551)	
NET CHANGE IN FUND BALANCE			\$ (5,670)	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Walatowa Charter High School
Schedule of Budgetary Comparisons - Budgetary Basis
Center for Native Education 26181
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES	\$ -	-	-	-
<i>Total Revenues</i>	-	-	-	-
EXPENDITURES				
Current:				
Instruction	7,672	7,672	-	7,672
<i>Total Expenditures</i>	7,672	7,672	-	7,672
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	(7,672)	(7,672)	-	7,672
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
Designated Cash	5,583	5,583	-	(5,583)
<i>Total other financing sources (uses):</i>	5,583	5,583	-	(5,583)
<i>Net Changes in Fund Balances</i>	(2,089)	(2,089)	-	2,089
<i>Cash or Fund Balances - Beginning of Year</i>	-	-	5,583	5,583
<i>Cash or Fund Balances - End of Year</i>	\$ (2,089)	(2,089)	5,583	7,672
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Walatowa Charter High School
 Schedule of Budgetary Comparisons - Budgetary Basis
 2009 Dual Credit Instruction 27103
 For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	1,853	1,045	(808)
Total Revenues	-	1,853	1,045	(808)
EXPENDITURES				
Current:				
Instruction	-	1,853	1,045	808
Total Expenditures	-	1,853	1,045	808
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
Net Changes in Fund Balances	-	-	-	-
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	-	-
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Walatowa Charter High School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Risk PED 27107
 For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 767	767	-	(767)
Total Revenues	<u>767</u>	<u>767</u>	<u>-</u>	<u>(767)</u>
EXPENDITURES				
Current:				
Support Services:				
Instruction	767	767	-	767
Total Expenditures	<u>767</u>	<u>767</u>	<u>-</u>	<u>767</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
Net Changes in Fund Balances	-	-	-	-
Cash or Fund Balances - Beginning of Year	-	-	(2,255)	(2,255)
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(2,255)</u>	<u>(2,255)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Walatowa Charter High School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Indian Education Act Appropriation 27150
 For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	25,000	-	(25,000)
Total Revenues	<u>-</u>	<u>25,000</u>	<u>-</u>	<u>(25,000)</u>
EXPENDITURES				
Current:				
Instruction	-	25,000	24,644	356
Total Expenditures	<u>-</u>	<u>25,000</u>	<u>24,644</u>	<u>356</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(24,644)</u>	<u>(24,644)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(24,644)</u>	<u>(24,644)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>(1,576)</u>	<u>(1,576)</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(26,220)</u>	<u>(26,220)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (24,644)	
Adjustments to Revenues			24,586	
Adjustments to Expenditures			<u>2</u>	
NET CHANGE IN FUND BALANCE			<u>\$ (56)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Walatowa Charter High School
Schedule of Budgetary Comparisons - Budgetary Basis
GEAR-UP 28178
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES	\$ -	-	-	-
<i>Total Revenues</i>	-	-	-	-
EXPENDITURES				
Current:				
Instruction	1,165	1,165	-	1,165
<i>Total Expenditures</i>	1,165	1,165	-	1,165
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	(1,165)	(1,165)	-	1,165
<i>Other financing sources (uses):</i>				
Designated Cash	1,132	1,132	-	(1,132)
<i>Total other financing sources (uses):</i>	1,132	1,132	-	(1,132)
<i>Net Changes in Fund Balances</i>	(33)	(33)	-	33
<i>Cash or Fund Balances - Beginning of Year</i>	-	-	1,132	1,132
<i>Cash or Fund Balances - End of Year</i>	\$ (33)	(33)	1,132	1,165
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Walatowa Charter High School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Private Dir Grants 29102
 For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Miscellaneous	\$ -	150	150	-
Total Revenues	<u>-</u>	<u>150</u>	<u>150</u>	<u>-</u>
EXPENDITURES				
Current:				
Instruction	4,342	4,492	3,831	661
Total Expenditures	<u>4,342</u>	<u>4,492</u>	<u>3,831</u>	<u>661</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(4,342)</u>	<u>(4,342)</u>	<u>(3,681)</u>	<u>661</u>
Other financing sources (uses):				
Designated Cash	4,342	4,342	-	(4,342)
Total other financing sources (uses):	<u>4,342</u>	<u>4,342</u>	<u>-</u>	<u>(4,342)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(3,681)</u>	<u>(3,681)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>4,479</u>	<u>4,479</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>798</u>	<u>798</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (3,681)	
Adjustments to Revenues			-	
Adjustments to Expenditures			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ (3,681)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Walatowa Charter High School
 Schedule of Budgetary Comparisons - Budgetary Basis
 Public School Capital Outlay 31200
 For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	46,201	46,201	-
Total Revenues	-	46,201	46,201	-
EXPENDITURES				
Capital Outlay	-	46,201	46,201	-
Total Expenditures	-	46,201	46,201	-
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	-	-
Net Changes in Fund Balances	-	-	-	-
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	-	-
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ -	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Walatowa Charter High School
 Schedule of Budgetary Comparisons - Budgetary Basis
 SB-9 Capital Improvements 31700
 For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ 4,398	7,546	-	(7,546)
Total Revenues	4,398	7,546	-	(7,546)
EXPENDITURES				
Capital Outlay	4,398	7,546	3,546	4,000
Total Expenditures	4,398	7,546	3,546	4,000
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(3,546)	(3,546)
Net Changes in Fund Balances	-	-	(3,546)	(3,546)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	(3,546)	(3,546)
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (3,546)	
Adjustments to Revenues			3,546	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Walatowa Charter High School
Schedule of Collateral Pledged by Depository for Public Funds
June 30, 2015

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2015</u>
U.S. Bank	FNMA POOL AE9299	31419LKM4	11/1/2025	\$ 669,956
U.S. Bank	FHLMC GOLD POOL A61255	3128KRMC5	11/1/2036	87,466
				<u>\$ 757,422</u>

Total Cash per Schedule of Cash Accounts:	\$ 927,644
Less: FDIC coverage:	<u>(250,000)</u>
Uninsured Public Funds:	677,644
Collateral Requirement:	338,822
Pledged Collateral Held by Pledging Financial Institution:	<u>757,422</u>
Balance Over Collateralized:	<u>\$ 418,600</u>
Balance insured and collateralized at June 30, 2015:	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Walatowa Charter High School
 Schedule of Cash Accounts
 June 30, 2015

<u>Bank Account Type</u>	<u>U.S. Bank</u>
Checking - Operational Account	\$ 927,644
<i>Total on Deposit</i>	927,644
Reconciling Items	(61,516)
Reconciled Balance June 30, 2015	866,128
Less Agency Funds	(18,305)
<i>Total Cash</i>	\$ 847,823

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Walatowa Charter High School
Cash Reconciliation
June 30, 2015

	Operational 11000	Instructional Materials 14000	Food Services 21000	Non-Instruct. Fund 23000
Cash, June 30, 2014	\$ 542,031	30,196	8,370	12,019
Add:				
2014-15 revenues	871,209	4,068	33,217	20,078
Total Cash Available	1,413,240	34,264	41,587	32,097
Less:				
2014-15 expenditures	(695,373)	-	(26,601)	(13,792)
Receivables/Payables	(3,937)	-	-	-
Outstanding Loans	24,195	-	-	-
Cash June 30, 2015	738,125	34,264	14,986	18,305
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	-	-	-	-
Cash Per Books	738,125	34,264	14,986	18,305
Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	124,490	-	2,218	(18,305)
Fund Balance (Deficit), Modified Accrual Basis	<u>\$ 862,615</u>	<u>34,264</u>	<u>17,204</u>	<u>-</u>

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

Federal Projects Account 24000	Federal Direct 25000	Local Grants 26000	State Account 27000	State Direct Account 28000
7,535	50,878	5,583	-	1,132
<u>24,372</u>	<u>128,005</u>	<u>-</u>	<u>1,045</u>	<u>-</u>
31,907	178,883	5,583	1,045	1,132
(24,102)	(229,864)	-	(25,689)	-
8,018	126,783	-	13,695	-
2,515	(41,205)	-	10,949	-
<u>18,338</u>	<u>34,597</u>	<u>5,583</u>	<u>-</u>	<u>1,132</u>
-	-	-	-	-
<u>18,338</u>	<u>34,597</u>	<u>5,583</u>	<u>-</u>	<u>1,132</u>
2,972	9,279	-	(3,887)	-
<u>21,310</u>	<u>43,876</u>	<u>5,583</u>	<u>(3,887)</u>	<u>1,132</u>

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STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Walatowa Charter High School
Cash Reconciliation (Continued)
June 30, 2015

	Private 29000	Public School Capital Outlay 31200	SB-9 Capital Improvements 31700	Total
Cash, June 30, 2014	\$ 4,479	-	-	662,223
Add:				
	150	46,201	-	1,128,345
Total Cash Available	4,629	46,201	-	1,790,568
Less:				
	(3,831)	(46,201)	(3,546)	(1,068,999)
	-	-	-	144,559
	-	-	3,546	-
Cash June 30, 2015	798	-	-	866,128
Fund Balance Reconciliations to GAAP Basis:				
Audit reclassifications to cash	-	-	-	-
Cash Per Books	798	-	-	866,128
Less: Activity Funds Per Schedule of Changes in Assets and Liabilities- Agency Fund:				(18,305)
				<u>\$ 847,823</u>
Fund Balance Reconciliation to GAAP Basis:				
Modified Accrual Adjustments	-	-	-	116,767
Fund Balance (Deficit), Modified Accrual Basis	\$ 798	-	-	982,895
				Balance Sheets - Governmental Funds: <u>\$ 982,895</u>

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
William W. & Josephine Dorn Charter School
Statement of Net Position
June 30, 2015

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and Cash Equivalents	\$ 72,417
Receivables	
Due from Government	38,021
Total Current Assets	<u>110,438</u>

Noncurrent Assets:

Capital Assets	
Furniture, Fixtures, and Equipment	27,125
Less: Accumulated Depreciation	<u>(16,275)</u>
Total Noncurrent Assets	<u>10,850</u>
Total Assets	<u>121,288</u>

Deferred Outflows - Pension Related	<u>127,500</u>
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LIABILITIES AND DEFERRED INFLOWS

Current Liabilities:

Accounts Payable	760
Accrued Expenditures	<u>36,461</u>
Total Current Liabilities	<u>37,221</u>

Noncurrent Liabilities:

Net Pension Liability	<u>393,688</u>
Total Noncurrent Liabilities	<u>393,688</u>
Total Liabilities	<u>430,909</u>

Deferred Inflows - Pension Related	<u>41,631</u>
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NET POSITION

Investment in Capital Assets	10,850
Restricted	8,572
Unrestricted (Deficit)	<u>(243,174)</u>
Total Net Position	<u>\$ (223,752)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
William W. & Josephine Dorn Charter School
Statement of Activities
For The Year Ended June 30, 2015

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 258,224	-	55,598	-	(202,626)
Support Services:					
Students	11,479	-	-	-	(11,479)
Instruction	1,421	-	-	-	(1,421)
General Administration	13,994	-	-	-	(13,994)
School Administration	130,109	-	-	-	(130,109)
Central Services	87,287	-	-	-	(87,287)
Operation & Maintenance of Plant	63,662	-	-	-	(63,662)
Food Services	48,387	-	38,869	-	(9,518)
Facilities Materials, Supplies & Other Services	27,378	-	-	27,378	-
Total Governmental Activities	\$ 641,941	-	94,467	27,378	(520,096)
General Revenues:					
State Equalization Guarantee					\$ 496,314
Total General Revenues					496,314
Change in Net Position					(23,782)
Net position- Beginning					75,801
Restatement Recognized by GASB 68					(275,771)
Net position, Beginning, as Restated					(199,970)
Net position, Ending					\$ (223,752)

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
William W. & Josephine Dorn Charter School
Balance Sheets - Governmental Funds
June 30, 2015

	Operational 11000	Instructional Materials 14000	Food Services 21000	IDEA-B Entitlement 24106
ASSETS				
Cash and Cash Equivalents	\$ 66,036	6,381	-	-
Accounts Receivable				
Due from Government	-	-	4,536	1,181
Due from Other Funds	28,891	-	-	-
Total Assets	\$ 94,927	6,381	4,536	1,181
LIABILITIES AND FUND BALANCES				
<i>Liabilities:</i>				
Accounts Payable	\$ 504	-	-	-
Accrued Expenditures	29,778	-	-	-
Due to Other Funds	-	-	2,345	1,181
Total Liabilities	30,282	-	2,345	1,181
<i>Fund Balances</i>				
Fund Balance:				
Restricted for:				
Instruction	-	6,381	-	-
Food Service Operations	-	-	2,191	-
Assigned to:				
Subsequent Years Expenditures and Other Programs	64,645	-	-	-
Total Fund Balance	64,645	6,381	2,191	-
<i>Total Liabilities and Fund Balances</i>	\$ 94,927	6,381	4,536	1,181

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

Charter Schools 24146	Teacher Principal Training 24154	Reads to Lead 27114	K-3 Plus 27166	Public School Capital Outlay 31200	Total
-	-	-	-	-	72,417
-	985	2,854	21,620	6,845	38,021
-	-	-	-	-	28,891
<u>-</u>	<u>985</u>	<u>2,854</u>	<u>21,620</u>	<u>6,845</u>	<u>139,329</u>
-	-	-	256	-	760
-	194	1,605	4,884	-	36,461
-	791	1,249	16,480	6,845	28,891
<u>-</u>	<u>985</u>	<u>2,854</u>	<u>21,620</u>	<u>6,845</u>	<u>66,112</u>
-	-	-	-	-	6,381
-	-	-	-	-	2,191
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>64,645</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>73,217</u>
<u>-</u>	<u>985</u>	<u>2,854</u>	<u>21,620</u>	<u>6,845</u>	<u>139,329</u>

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STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 William W. & Josephine Dorn Charter School
 Reconciliation of the Balance Sheets of Governmental Funds to the Statement of Net Position
 June 30, 2015

Fund Balances - Total Governmental Funds **\$ 73,217**

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

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

Capital Assets	27,125	
Accumulated Depreciation	<u>(16,275)</u>	
		10,850

Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds		127,500
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Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds.		(41,631)
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The net pension liability is not due and payable in the current period and, therefore, is not reported in the funds.		<u>(393,688)</u>
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Deficit-Total Governmental Activities **\$ (223,752)**

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
William W. & Josephine Dorn Charter School
Statement of Revenues, Expenditures, and Changes In Fund Balances
Governmental Funds
For The Year Ended June 30, 2015

	Operational 11000	Instructional Materials 14000	Food Services 21000	IDEA-B Entitlement 24106
REVENUES				
Local & County Grant	\$ 200	-	-	-
State Grant	496,314	3,486	-	-
Federal Grant	-	-	38,869	7,307
Total Revenues	496,514	3,486	38,869	7,307
EXPENDITURES				
Current:				
Instruction	186,788	-	-	-
Support Services:				
Students	4,172	-	-	7,307
Instruction	1,421	-	-	-
General Administration	13,994	-	-	-
School Administration	121,919	-	-	-
Central Services	87,287	-	-	-
Operation & Maintenance of Plant	62,434	-	-	-
Food Services Operations	10,485	-	36,678	-
Capital Outlay	-	-	-	-
Total Expenditures	488,500	-	36,678	7,307
<i>Excess of Revenues Over Expenditures</i>	8,014	3,486	2,191	-
Other financing sources (uses):				
Operating transfers	1,055	-	-	-
Total other financing sources (uses):	1,055	-	-	-
Net Changes in Fund Balances	9,069	3,486	2,191	-
Fund Balances - Beginning of Year	55,576	2,895	-	-
Fund Balances - End of Year	\$ 64,645	6,381	2,191	-

The accompanying notes are an integral part of these financial statements

Charter Schools 24146	Teacher Principal Training 24154	Reads to Lead 27114	K-3 Plus 27166	Public School Capital Outlay 31200	Total
-	-	-	-	-	200
-	-	22,000	21,620	27,378	570,798
-	985	-	-	-	47,161
-	985	22,000	21,620	27,378	618,159
-	710	22,000	11,253	-	220,751
-	-	-	-	-	11,479
-	-	-	-	-	1,421
-	-	-	-	-	13,994
-	275	-	7,915	-	130,109
-	-	-	-	-	87,287
-	-	-	1,228	-	63,662
-	-	-	1,224	-	48,387
-	-	-	-	27,378	27,378
-	985	22,000	21,620	27,378	604,468
-	-	-	-	-	13,691
(1,055)	-	-	-	-	-
(1,055)	-	-	-	-	-
(1,055)	-	-	-	-	13,691
1,055	-	-	-	-	59,526
-	-	-	-	-	73,217

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
William W. & Josephine Dorn Charter School
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2015

Net Change in Fund Balances-Total Governmental Funds **\$ 13,691**

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

Capital outlays to purchase or build capital assets are reported in
 governmental funds as expenditures. However, for governmental
 activities those costs are shown in the Statement of Net Position and
 allocated over their estimated useful lives as annual depreciation
 expenses in the Statement of Activities. This is the amount by which
 capital outlay exceeds depreciation for the period

Depreciation Expense	(5,425)
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Changes in long-term liabilities

Change in the net pension liability	(32,048)
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Change in Net Position-Total Governmental Activities	\$ (23,782)
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The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
William W. & Josephine Dorn Charter School
Notes to the Financial Statements
June 30, 2015

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Capital Assets. Capital assets purchased or acquired are 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. William W. & Josephine Dorn Charter School’s capitalization policy (i.e., the dollar value above which the asset acquisitions are added to the capital accounts) is \$5,000. The William W. & Josephine Dorn Charter School does not capitalize any interest with regard to its capital assets.

Depreciation on all assets is provided on the straight-line basis over the estimated useful lives with no salvage value. William W. & Josephine Dorn Charter School utilizes Internal Revenue Service guidelines to estimate the useful lives on capital assets as follows:

Furniture, Fixtures and Equipment 5 years

Capital assets for William W. & Josephine Dorn Charter School are recorded in the Statement of Net Position.

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the New Mexico Educational Retirement Board (ERB) and additions to/deductions from ERB’s Fiduciary Net Position have been determined on the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 2. CAPITAL ASSETS

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

	Balance			Balance
	June 30, 2014	Additions	Deletions	June 30, 2015
<i>Capital Assets being Depreciated:</i>				
Furniture, Fixtures and Equipment	\$ 27,125	-	-	27,125
<i>Total</i>	27,125	-	-	27,125
<i>Less: Accumulated Depreciation</i>				
Furniture, fixtures and equipment	(10,850)	(5,425)	-	(16,275)
<i>Total</i>	(10,850)	(5,425)	-	(16,275)
Capital Assets, Net	\$ 16,275	(5,425)	-	10,850

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 William W. & Josephine Dorn Charter School
 Notes to the Financial Statements
 June 30, 2015

NOTE 2. CAPITAL ASSETS (CONTINUED)

Depreciation expensed for the year ended June 30, 2015 was expensed to the following function:

Instruction	\$ 5,425
Total	\$ 5,425

NOTE 3. COMMITMENTS AND LIABILITIES

The William W. & Josephine Dorn Charter School leased equipment and facilities under long-term cancelable operating leases. Rental expenses for the year ended June 30, 2015 was \$42,900. The William W. & Josephine Dorn Charter School's minimum future payments on this lease are as follows:

Year Ending June 30:	
2016	\$ 51,600
Total	\$ 51,600

NOTE 4. RELATED PARTY TRANSACTIONS

The son of the William W. & Josephine Dorn Charter School principal is employed as a teacher at the school.

NOTE 5. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD

The information contained within this disclosure represents the pension information specific to William W. & Josephine Dorn Charter School and does not include general disclosure information pertaining to the New Mexico Educational Employees' Retirement Plan. General disclosure information including plan description, benefits provided, applicable actuarial assumptions, and location for additional information about the New Mexico Educational Retirement Boards fiduciary net position can be found within the basic financial statements of the Public Education Department.

NOTE 5. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Contributions. The contribution requirements of defined benefit plan members and William W. & Josephine Dorn Charter School are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year ended June 30, 2014, employers contributed 13.15% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.10% of their gross annual salary. For fiscal year ended June 30, 2015, employers contributed 13.90% and employees earning \$20,000 or less continued to contribute 7.90% and employees earning more than \$20,000 contributed an increased amount of 10.70% of their gross annual salary. Contributions to the pension plan from William W. & Josephine Dorn Charter School were \$29,293 for the year ended June 30, 2015.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2013. The total ERB pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2014, using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date June 30, 2014. At June 30, 2015, William W. & Josephine Dorn Charter School reported a liability of \$393,688 for its proportionate share of the net pension liability. William W. & Josephine Dorn Charter School's proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2014. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2014, William W. & Josephine Dorn Charter School's proportion was 0.00690%, which was an increase of 0.00211% from its proportion measured as of June 30, 2013.

For the year ended June 30, 2015, William W. & Josephine Dorn Charter School recognized pension expense of \$61,341. At June 30, 2015, William W. & Josephine Dorn Charter School reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 William W. & Josephine Dorn Charter School
 Notes to the Financial Statements
 June 30, 2015

NOTE 5. PENSION PLAN - EDUCATIONAL RETIREMENT BOARD (CONTINUED)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	5,861
Changes in assumptions	-	35,770
Changes in proportion and differences between William W. & Josephine Dorn Charter School contributions and proportionate share of contributions	98,207	-
William W. & Josephine Dorn Charter School contributions subsequent to the measurement date	<u>29,293</u>	<u>-</u>
Total	<u>\$ 127,500</u>	<u>41,631</u>

William W. & Josephine Dorn Charter School reported \$29,293 as deferred outflows of resources related to pensions resulting from William W. & Josephine Dorn Charter School contributions subsequent to the measurement date June 30, 2014 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2016	\$ (23,118)
2017	(23,118)
2018	(19,271)
2019	<u>8,931</u>
Total	\$ <u>(56,576)</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 William W. & Josephine Dorn Charter School
 Notes to the Financial Statements
 June 30, 2015

NOTE 5. PENSION PLAN – EDUCATIONAL RETIREMENT BOARD (CONTINUED)

Sensitivity of William W. & Josephine Dorn Charter School’s proportionate share of the net pension liability to changes in the discount rate. The following table shows the sensitivity of the net pension liability to changes in the discount rate as of the fiscal year end 2014. In particular, the table presents the (employer’s) net pension liability under the current single rate assumption, as if it were calculated using a discount rate one percentage point lower (6.75%) or one percentage point higher (8.75%) than the single discount rate.

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
William W. & Josephine Dorn Charter School proportionate share of the net pension liability	\$ 535,659	393,688	274,968

Payables to the pension plan. At June 30, 2015, William W. & Josephine Dorn Charter School owed \$6,582 to ERB for fiscal year 2015 contributions.

NOTE 6. RESTATEMENT

As a result of implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pension*, net position at June 30, 2014 was restated in the amount of \$(275,771).

NOTE 7. OVERSPENT BUDGET LINE ITEMS

As stated in finding 2015-004, William W. & Josephine Dorn Charter School had expenditures in excess of the budget in the following funds:

Operational 11000 (Food Services Operations)	\$	22
K-3 Plus 27166 (Operations of Plan)		38

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
WILLIAM W. & JOSEPHINE DORN CHARTER COMMUNITY SCHOOL
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2015

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data*
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School's Proportion of the Net Pension Liability (Asset)	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School's Proportionate Share of Net Pension Liability (Asset)	\$ 394	-	-	-	-	-	-	-	-	-
School's Covered-Employee Payroll	\$ 190	-	-	-	-	-	-	-	-	-
School's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	207.16%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.54%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30, 2014

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
WILLIAM W. & JOSEPHINE DORN CHARTER COMMUNITY SCHOOL
SCHEDULE OF SCHOOL CONTRIBUTIONS
June 30, 2015

New Mexico Educational Retirement Board Pension Plan
Schedule of Ten Year Tracking Data
(Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 25	-	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	25	-	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ -	-	-	-	-	-	-	-	-	-

Year	Total Amount Deferred	Amortization Years	Increase (Decrease) in Pension Expense over Recognition Periods											
			2015	2016	2017	2018	2019	2020	2021	2022	2023	2024		
2014	\$ (56)	5	\$ (23)	(23)	(19)	9	-	-	-	-	-	-	-	-
2015	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2016	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2017	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2018	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2019	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2020	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2021	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2022	-	5	-	-	-	-	-	-	-	-	-	-	-	-
2023	-	5	-	-	-	-	-	-	-	-	-	-	-	-
	\$ (56)		\$ (23)	(23)	(19)	9	-	-	-	-	-	-	-	-

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
William W. & Josephine Dorn Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Local & County Grant	\$ -	-	200	200
State Grant	437,866	496,314	496,314	-
Total Revenues	437,866	496,314	496,514	200
EXPENDITURES				
Current:				
Instruction	208,122	188,059	186,610	1,449
Support Services:				
Students	1,000	7,958	4,703	3,255
Instruction	1,500	2,886	1,421	1,465
General Administration	17,000	14,990	13,994	996
School Administration	128,339	125,365	121,919	3,446
Central Services	64,800	92,890	87,373	5,517
Operation & Maintenance of Plant	62,105	112,020	63,972	48,048
Food Services Operations	-	10,463	10,485	(22)
Total Expenditures	482,866	554,631	490,477	64,154
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	(45,000)	(58,317)	6,037	64,354
Other Financing Sources (Uses):				
Designated Cash	45,000	58,317	-	(58,317)
Total Other Financing Sources (Uses):	45,000	58,317	-	(58,317)
Net Changes in Fund Balances	-	-	6,037	6,037
Cash or Fund Balances - Beginning of Year	-	-	55,576	55,576
Cash or Fund Balances - End of Year	\$ -	-	61,613	61,613
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>				
			\$ 6,037	
Adjustments to Revenues			-	
Adjustments to Expenditures			3,032	
NET CHANGE IN FUND BALANCE			\$ 9,069	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
William W. & Josephine Dorn Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	3,486	3,486	-
Total Revenues	-	3,486	3,486	-
EXPENDITURES				
Current:				
Instruction	-	6,381	-	6,381
Total Expenditures	-	6,381	-	6,381
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	(2,895)	3,486	6,381
Other Financing Sources (Uses):				
Designated Cash	-	2,895	-	(2,895)
Total Other Financing Sources (Uses):	-	2,895	-	(2,895)
Net Changes in Fund Balances	-	-	3,486	3,486
Cash or Fund Balances - Beginning of Year	-	-	2,895	2,895
Cash or Fund Balances - End of Year	\$ -	-	6,381	6,381
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 3,486	
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ 3,486	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
William W. & Josephine Dorn Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Food Services 21000
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ -	38,000	34,333	(3,667)
Total Revenues	<u>-</u>	<u>38,000</u>	<u>34,333</u>	<u>(3,667)</u>
EXPENDITURES				
Current:				
Food Services Operations	-	38,000	36,678	1,322
Total Expenditures	<u>-</u>	<u>38,000</u>	<u>36,678</u>	<u>1,322</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(2,345)	(2,345)
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(2,345)</u>	<u>(2,345)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(2,345)</u>	<u>(2,345)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (2,345)	
Adjustments to Revenues			4,536	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 2,191</u>	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
William W. & Josephine Dorn Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
IDEA-B Entitlement 24106
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 8,467	11,886	6,670	(5,216)
Total Revenues	8,467	11,886	6,670	(5,216)
EXPENDITURES				
Current:				
Support Services:				
Students	8,467	11,886	7,307	4,579
Total Expenditures	8,467	11,886	7,307	4,579
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	-	-	(637)	(637)
Net Changes in Fund Balances	-	-	(637)	(637)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	(637)	(637)
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ (637)	
Adjustments to Revenues			637	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
William W. & Josephine Dorn Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Charter Schools 24146
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ -	-	10,373	10,373
Total Revenues	-	-	10,373	10,373
EXPENDITURES				
Current:				
Instruction	-	-	-	-
Support Services:				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services Operations	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service				
Principal	-	-	-	-
Interest	-	-	-	-
Total Expenditures	-	-	-	-
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	-	-	10,373	10,373
Net Changes in Fund Balances	-	-	10,373	10,373
Cash or Fund Balances - Beginning of Year	-	-	1,055	1,055
Cash or Fund Balances - End of Year	\$ -	-	11,428	11,428
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ 10,373	
Adjustments to Revenues			(10,373)	
Adjustments to Expenditures			(1,055)	
NET CHANGE IN FUND BALANCE			\$ (1,055)	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
William W. & Josephine Dorn Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Teacher Principal Training 24154
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Federal Grant	\$ 842	4,416	248	(4,168)
Total Revenues	842	4,416	248	(4,168)
EXPENDITURES				
Current:				
Instruction	-	3,574	710	2,864
Support Services:				
School Administration	842	842	275	567
Total expenditures	842	4,416	985	3,431
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(737)	(737)
Net changes in Fund Balances	-	-	(737)	(737)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	(737)	(737)
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (737)	
Adjustments to Revenues			737	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			\$ -	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
William W. & Josephine Dorn Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Reads to Lead 27114
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	22,000	19,146	(2,854)
Total Revenues	<u>-</u>	<u>22,000</u>	<u>19,146</u>	<u>(2,854)</u>
EXPENDITURES				
Current:				
Instruction	-	22,000	22,000	-
Total Expenditures	<u>-</u>	<u>22,000</u>	<u>22,000</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	-	-	(2,854)	(2,854)
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(2,854)</u>	<u>(2,854)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(2,854)</u>	<u>(2,854)</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>			\$ (2,854)	
Adjustments to Revenues			2,854	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
William W. & Josephine Dorn Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
K-3 Plus 27166
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	26,020	-	(26,020)
Total Revenues	-	26,020	-	(26,020)
EXPENDITURES				
Current:				
Instruction	-	15,689	11,257	4,432
Support Services:				
School Administration	-	7,957	7,915	42
Operation & Maintenance of Plant	-	1,148	1,228	(80)
Food Services Operations	-	1,226	1,224	2
Total Expenditures	-	26,020	21,624	4,396
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	(21,624)	(21,624)
Net Changes in Fund Balances	-	-	(21,624)	(21,624)
Cash or Fund Balances - Beginning of Year	-	-	-	-
Cash or Fund Balances - End of Year	\$ -	-	(21,624)	(21,624)
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ (21,624)	
Adjustments to Revenues			21,620	
Adjustments to Expenditures			4	
NET CHANGE IN FUND BALANCE			\$ -	

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
William W. & Josephine Dorn Charter School
Schedule of Budgetary Comparisons - Budgetary Basis
Public School Capital Outlay 31200
For The Year Ended June 30, 2015

	Budgeted Amounts		Actual Amount	Variance Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
State Grant	\$ -	33,298	28,303	(4,995)
Total Revenues	<u>-</u>	<u>33,298</u>	<u>28,303</u>	<u>(4,995)</u>
EXPENDITURES				
Current:				
Capital Outlay	-	33,298	27,378	5,920
Total Expenditures	<u>-</u>	<u>33,298</u>	<u>27,378</u>	<u>5,920</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	-	-	925	925
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>925</u>	<u>925</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>925</u>	<u>925</u>
Reconciliation to GAAP Basis:				
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>			\$ 925	
Adjustments to Revenues			(925)	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

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

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 William W. & Josephine Dorn Charter School
 Schedule of Collateral Pledged by Depository for Public Funds
 June 30, 2015

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2015</u>
N / A	N / A	N / A	N / A	\$ -
				-
				-
				<u>\$ -</u>

Total Cash per Schedule of Cash Accounts:	\$	94,668
Less: FDIC coverage:		<u>(94,668)</u>
Uninsured Public Funds:		-
Collateral Requirement:		-
Pledged Collateral Held by Pledging Financial Institution:		<u>-</u>
Balance Over Collateralized:	\$	<u>-</u>
Balance Uninsured and Uncollateralized at June 30, 2015:	\$	<u>-</u>

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

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STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 William W. & Josephine Dorn Charter School
 Schedule of Cash Accounts
 June 30, 2015

<u>Bank Account Type</u>	<u>US Bank</u>
Checking - Operational Account	\$ 94,668
<i>Total on Deposit</i>	94,668
Reconciling Items	<u>(22,251)</u>
Reconciled Balance June 30, 2015	<u>72,417</u>
<i>Total Cash</i>	<u><u>\$ 72,417</u></u>

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

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
William W. & Josephine Dorn Charter School
Cash Reconciliation
June 30, 2015

	Operational <u>11000</u>	Instructional Materials <u>14000</u>	Food Services <u>21000</u>
Cash, June 30, 2014	\$ 69,893	2,895	-
Add:			
2014-15 revenues	<u>496,514</u>	<u>3,486</u>	<u>34,333</u>
Total Cash Available	566,407	6,381	34,333
Less:			
2014-15 expenditures	(490,477)	-	(36,678)
Receivables/Payables	18,801	-	-
Outstanding Loans	<u>(28,695)</u>	<u>-</u>	<u>2,345</u>
Cash June 30, 2015	<u>66,036</u>	<u>6,381</u>	<u>-</u>
Fund Balance Reconciliations to GAAP Basis:			
Audit reclassifications to cash	-	-	-
Cash Per Books	<u>66,036</u>	<u>6,381</u>	<u>-</u>
Fund Balance Reconciliation to GAAP Basis:			
Modified Accrual Adjustments	<u>(1,391)</u>	<u>-</u>	<u>2,191</u>
Fund Balance, Modified Accrual Basis	<u>\$ 64,645</u>	<u>6,381</u>	<u>2,191</u>

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

Federal Projects Account 24000	State Account 27000	Public School Capital Outlay 31200	Total
-	-	-	72,788
17,291	19,146	28,303	599,073
17,291	19,146	28,303	671,861
(8,292)	(43,624)	(27,378)	(606,449)
(10,971)	6,945	(7,770)	7,005
1,972	17,533	6,845	-
-	-	-	72,417
-	-	-	-
-	-	-	72,417
			<u>\$ 72,417</u>
-	-	-	800
-	-	-	73,217
			<u><u>\$ 73,217</u></u>
Balance Sheets - Governmental Funds:			<u><u>\$ 73,217</u></u>