

State of New Mexico



Santa Fe Community College

**Financial Statements *and*
Supplemental information**

(with Independent Auditors' Report)

June 30, 2010

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**STATE OF NEW MEXICO
SANTA FE COMMUNITY COLLEGE**

Official Roster

June 30, 2010

BOARD OF DIRECTORS

Name	Title	Term Expiration
Carole A. Brito	Chair	March 31, 2013
Linda S. Siegle	Vice Chair	March 31, 2013
Dr. Andrea B. Bermudez	Secretary	March 31, 2015
Chris Abeyta	Member	March 31, 2011
Bruce R. Besser	Member	March 31, 2015
Isaac J. De Luna Navarro	Student Govt. Representative	April 2011

ADMINISTRATIVE OFFICIALS

Sheila Ortego, Ph.D.	President
Meridee Walters	Vice-President for Administrative Services
Gilda Espinoza	Associate Vice President for Finance and Administration

Independent Auditors' Report

To the Board of Directors of
Santa Fe Community College
And
Mr. Hector H. Balderas, New Mexico State Auditor

We have audited the accompanying financial statements of the business-type activities of the State of New Mexico Santa Fe Community College (College), and its discretely presented component unit (GROW Foundation) as of and for the year ended June 30, 2010, which collectively comprise the College's basic financial statements, as listed in the table of contents. We have also audited the budget comparisons presented as supplemental information for the year ended June 30, 2010 as listed in the table of contents. These financial statements and are the responsibility of the College's management. Our responsibility is to express an opinion 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 basic financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the College's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and its discretely presented component unit as of June 30, 2010, and the respective changes in financial position and cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America. In addition, in our opinion, the budget comparisons referred to above present fairly, in all material respects, the budget comparison for the year then ended in conformity with the budgetary basis of accounting prescribed by the New Mexico Administrative Code, and more fully described in the budgetary schedules, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

To the Board of Directors of
Santa Fe Community College
And
Mr. Hector H. Balderas, New Mexico State Auditor

In accordance with *Government Auditing Standards*, we have also issued our report dated November 15, 2010 on our consideration of the College's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis on pages 4 to 9 is not a part of the basic financial statements but is supplementary information required by the accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the basic financial statements and the budget comparisons. The Schedule of Deposit and Investment Accounts, and the Schedule of Pledged Collateral are presented for the purposes of additional analysis and are not a required part of the basic financial statements. Also, the accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis required by US Office of Management and Budget Circular A-133, Audit of States, Local Governments, and Non-Profit Organizations, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Mess Adams LLP

Albuquerque, New Mexico
November 15, 2010

**STATE OF NEW MEXICO
SANTA FE COMMUNITY COLLEGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2010**

Overview of Financial Statements

For financial reporting purposes, Santa Fe Community College (SFCC) is considered a special-purpose government engaged only in business-type activities. The College's financial statements have been presented using the economic resources measurement focus and the accrual basis of accounting. SFCC has considered potential component units and has chosen to include GROW Santa Fe Community College Foundation as a component unit. These financial statements are based upon Governmental Accounting Standards Board GASB Statement 35. This report consists of a Statement of Net Assets, Statement of Revenues, Expenses, and Changes in Net Assets, and Statement of Cash Flows.

Condensed Financial Information

	<u>Net Assets</u>		
	<u>2009-10</u>	<u>Fiscal Years</u> <u>2008-09</u>	<u>2007-08</u>
Assets:			
Current Assets	\$ 39,801,371	36,426,472	38,426,511
Capital and Other Assets	68,367,405	56,941,094	55,069,078
Total Assets	<u>108,168,776</u>	<u>93,367,566</u>	<u>93,495,589</u>
Liabilities:			
Current Liabilities	14,947,627	9,379,047	12,877,569
Noncurrent Liabilities	17,124,514	17,850,302	20,015,062
Total Liabilities	<u>32,072,141</u>	<u>27,229,349</u>	<u>32,892,631</u>
Net Assets	<u>\$ 76,096,635</u>	<u>66,138,217</u>	<u>60,602,958</u>

- Assets exceeded liabilities by \$76,096,635 at the close of the fiscal year. Of this amount, \$10,042,993 is unrestricted.
- Cash and Cash Equivalents had a significant increase from \$13,961,306 at the beginning of the year to \$18,130,887 at the end of the fiscal year. Investments had a slight decrease from \$16,902,018 to \$16,328,457. The decrease is due to the use of funds from the 2007 bond issue on the construction project for the Health and Science building and the Trades and Technology Center.

**STATE OF NEW MEXICO
SANTA FE COMMUNITY COLLEGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2010**

- Net Assets as shown in the previous schedule increased to \$76,096,635 in comparison to \$66,138,217 at the end of fiscal year 2008-09.

Below is a schedule with a three year comparison of revenue, expenses and changes in net assets. The comparison shows a continuous trend of increase in net assets.

<u>Revenue, Expenses and Changes in Net Assets</u>			
	<u>2009-10</u>	<u>Fiscal Years</u> <u>2008-09</u>	<u>2007-08</u>
Operating Revenue	\$ 19,756,469	16,697,176	14,025,986
Operating Expenses	<u>(50,674,303)</u>	<u>(48,010,529)</u>	<u>(44,646,145)</u>
Deficiency of Operating Revenues Over Expenses	(30,917,834)	(31,313,353)	(30,620,159)
Nonoperating Revenues (Expenses)	<u>40,876,252</u>	<u>36,848,612</u>	<u>34,325,489</u>
Increase in Net Assets	<u>\$ 9,958,418</u>	<u>5,535,259</u>	<u>3,705,330</u>

Analysis of Financial Position and Results of Operations

Santa Fe Community College continues to be in sound financial position. Adequate funds exist to fund the College's ongoing operations, repay debt and meet identified capital building improvement needs. Revenue continues to increase due to an enrollment increase of 31.4% over the last two years, growth in the county tax base and actual expenditures were below the approved budgeted amount submitted to the Higher Education Department resulting in a continued increase in net assets.

The following schedule summarizes the College's operating revenues of \$19,756,469 for fiscal year ending June 30, 2010 in comparison to \$16,697,176 in the prior year. Operating expenses of \$50,695,338 were higher than the expenses in the prior year due to a 36% increase in financial aid disbursements, Capital Outlay expenses which included design development and construction costs for the Health & Science building, and programming, schematic, design expenses and construction costs for the Trades and Advanced Technology Center.

**STATE OF NEW MEXICO
SANTA FE COMMUNITY COLLEGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2010**

<u>Operating Revenues</u>			
	<u>Fiscal Years</u>		
	<u>2009-10</u>	<u>2008-09</u>	<u>2007-08</u>
Tuition and Fees, net	\$ 4,150,500	3,452,731	3,269,608
Government Grants and Contracts	11,543,384	9,431,362	6,971,179
Private Grants and Contracts	523,956	519,545	860,510
Sales and Services of			
Educational Departments	1,268,418	1,300,142	1,058,484
Auxiliary Enterprises	<u>2,270,211</u>	<u>1,993,396</u>	<u>1,866,205</u>
Net Operating Revenue	<u>\$ 19,756,469</u>	<u>16,697,176</u>	<u>14,025,986</u>

<u>Operating Expenses</u>			
	<u>Fiscal Years</u>		
	<u>2009-10</u>	<u>2008-09</u>	<u>2007-08</u>
Instruction	\$ 14,924,903	15,318,036	14,562,153
Academic Support	4,569,549	4,571,262	3,487,522
Student Services	3,005,261	2,793,355	2,835,791
Institutional Support	5,275,671	5,725,648	5,028,923
Operation and Maintenance of Plant	2,728,968	2,825,823	3,222,663
Student Activities	143,235	57,355	103,585
Student Aid	5,221,524	2,414,479	1,500,545
Public Services	8,404,283	8,565,549	8,363,825
Auxiliary Enterprises	2,099,224	1,951,141	1,878,167
Independent Operations	-	319,032	199,844
Internal Services	21,294	-	-
Other Operating	227,984	-	-
Capital Outlay	84,369	75,187	-
Building Renewal and Replacement	633,318	539,404	834,896
Depreciation and Amortization	<u>3,334,720</u>	<u>2,854,258</u>	<u>2,822,478</u>
Total Operating Expenses	<u>\$ 50,674,303</u>	<u>48,010,529</u>	<u>44,840,392</u>

**STATE OF NEW MEXICO
SANTA FE COMMUNITY COLLEGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2010**

Nonoperating Revenue and Expenses

The following schedule summarizes the College's nonoperating revenues and expenses of \$40,876,252 for fiscal year ended June 30, 2010; an increase in nonoperating revenue and expenses of \$4,027,640 from the previous year. The increase is due to state appropriations and General Obligation Bonds for construction of the Health & Science Building and the Trades and Technology Center, local mill levy and other income.

<u>Nonoperating Revenues and Expenses</u>			
	<u>Fiscal Years</u>		
	<u>2009-10</u>	<u>2008-09</u>	<u>2007-08</u>
State Appropriations	\$ 17,142,678	17,097,080	15,756,280
Local Appropriations – Operating	14,559,901	13,460,020	12,495,770
Local Appropriations - Debt Service	6,404,776	6,053,699	5,727,140
General Obligation Bonds	3,087,087	344,541	81,990
Investment Income	40,267	256,827	697,494
Interest and Other Related Debt	(684,895)	(788,784)	(609,660)
Other Income/Expenses	326,438	425,229	370,322
Total Nonoperating Revenue and Expenses	<u>\$ 40,876,252</u>	<u>36,848,612</u>	<u>34,519,736</u>

Analysis of Variations Between Original and Final Budget and Resulting Actual

During the fiscal year, budget adjustments were submitted to the Higher Education Department and approved to recognize anticipated changes in revenue and expenditures. The actual revenue exceeded the final approved budget for unrestricted instruction and general and unrestricted non-instruction and general. There were variances in the actual revenue compared to the final revenue budget due an increase in enrollment resulting in higher tuition and fees revenue and higher sales revenue in Auxiliary Services. There was also a considerable increase in the local appropriation. The negative variances in revenue are attributed to restricted contracts and grants estimated to be spent or awarded to the College during the budget cycle but the award amounts were not spent or were not awarded. On the budget comparison on expenditures, the actual expenses for all operations were below the budgeted amounts due to conservative spending College wide within instruction and general due to the economic conditions. The construction project expenses were not as high as estimated for the end of the fiscal year. Those expenses will be reflected in next fiscal year's budget. Other variances in expenditures are also due to restricted contracts and grants not spending all funds budgeted.

**STATE OF NEW MEXICO
SANTA FE COMMUNITY COLLEGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2010**

Significant Capital Asset and Long-Term Debt Activity

During 2007 the voters of Santa Fe County approved a \$25 million general obligation bond issue for campus development. On November 27, 2007, \$17 million in general obligation bonds were issued. The remaining \$8 million available was issued on October 26, 2009.

The bond proceeds are being used to finance several projects that are underway, namely the construction of the Health and Sciences Building, the construction of the Trades and Advanced Technology Building, a remodel of the current kitchen and food services area, the expansion of Culinary Arts instructional space, and the remodel of two science labs.

The Health and Sciences Building will be dedicated to labs, classrooms and offices for the offering of health career programs, as well as, for science related instruction. The 48,220 GSF building is fully financed through state funding and local bond proceeds. The building is currently under construction and was completed and available for classes by August of 2010.

The Trades and Advanced Technology Building will consist of classrooms, offices and labs dedicated to providing instruction for traditional trades programs, as well as, career and technical education in emerging technologies. The 45,000 GSF building began construction in November of 2009 and is scheduled to be completed by December of 2010.

The remodel projects for the kitchen, food services area and the expansion of the Culinary Arts program are currently in the design process.

In addition to capital projects, the College invested \$2 million in the completion of a major conversion of administrative software and major software upgrades. Although the key foundational components of the software were installed several years ago, many system components were not used and thus the conversion was not considered complete. Some major software components were installed or improved in the areas of enrollment services, financial aid, human resources and payroll, and finance.

Currently Known Facts, Decisions or Conditions Impacting Financial Conditions

The College has experienced a significant impact from the current economic state of the Nation's economy. During Fiscal Year ending June 30, 2010, the College experienced a \$687,300 reduction in state funding. The College experienced an increase in property tax collection rate. The budget for local taxes was estimated with a collection rate of 93%. The actual collection rate was approximately 98%. Between FY 08-09 and FY 09-10 credit hour production increased by 21% and average headcount enrollments by term increased on average 8.1%. Summer 10 credit hour production increased 12% over Summer 09 with an 8.4% increase in headcount. As of Fall 10 10th week, credit hour production had increased 10.5% over 10th week in Fall 09 to 42,957.7 and headcount increased 3.8% to 6,752 over 10th week in Fall 09.

**STATE OF NEW MEXICO
SANTA FE COMMUNITY COLLEGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2010**

It is unclear how the economy will affect the College's future revenue streams. In response to the uncertainty, the College developed an "Economic Conditions Financing Plan – 2009". The plan provides for a 5% decline in state revenues, an increase in local tax revenues due to a "yield control" mechanism in the local mill levy calculation, and an increase in tuition and fee revenues due to enrollment projections and a 5% increase in tuition cost per credit hour. At this same time, the College is reducing its budget by freezing vacant positions, allowing only essential travel, and reducing equipment expenditures.

Component Unit

GROW Santa Fe Community College Foundation is included as a component unit on the financial statement. GROW Santa Fe Community College Foundation was established October 2004 to encourage, solicit, receive, and administer gifts and bequests of real and personal property and funds for scientific, educational, public service, and charitable purposes for the advancement and benefit of the College.

A copy of the separately issued audited financial statements for GROW can be obtained by writing to the Executive Director at GROW Santa Fe Community College Foundation, 6401 Richards Ave., Santa Fe, NM 87508.

**STATE OF NEW MEXICO
SANTA FE COMMUNITY COLLEGE
STATEMENT OF NET ASSETS
June 30, 2010**

	Primary Institution	Component Unit
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 9,446,021	995,767
Cash and cash equivalents - restricted	8,684,866	-
Investments	16,328,457	4,284,525
Accounts receivable students, net	238,457	-
Grants and contracts receivable	1,626,347	-
Mill levy receivable	90,882	-
General obligation bonds receivable	1,354,988	-
Other receivables, net	635,714	2,166
Due from component unit	446,420	-
Inventories	426,109	-
Prepaid expenses	523,110	-
Total current assets	<u>39,801,371</u>	<u>5,282,458</u>
Noncurrent Assets		
Assets held in escrow	127,543	-
Capital assets, net	68,239,862	470,311
Total noncurrent assets	<u>68,367,405</u>	<u>470,311</u>
Total assets	<u>\$ 108,168,776</u>	<u>5,752,769</u>
LIABILITIES		
Current Liabilities		
Accounts payable	\$ 2,059,011	-
Contractors payable	2,336,981	-
Accrued liabilities	860,692	-
Accrued interest payable	265,656	-
Deferred revenue	893,244	-
Due to primary institution	-	446,420
Accrued compensated absences, current portion	148,690	-
Bonds payable - current portion, net	8,067,018	-
Other Liabilities	316,335	-
Total current liabilities	<u>14,947,627</u>	<u>446,420</u>
Noncurrent Liabilities		
Accrued compensated absences	754,918	-
Bonds payable, net	16,369,596	-
Total noncurrent liabilities	<u>17,124,514</u>	<u>-</u>
Total liabilities	<u>32,072,141</u>	<u>446,420</u>
NET ASSETS		
Invested in capital assets, net of related debt	43,803,246	-
Restricted		
Nonexpendable		
Scholarship	-	2,761,167
Expendable		
Scholarship and programs	-	1,769,584
Debt service	8,508,070	-
Capital projects	13,742,326	-
Unrestricted	10,042,993	775,598
Total net assets	<u>76,096,635</u>	<u>5,306,349</u>
Total net assets and liabilities	<u>\$ 108,168,776</u>	<u>5,752,769</u>

See Notes to Financial Statements.

**STATE OF NEW MEXICO
SANTA FE COMMUNITY COLLEGE
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET ASSETS
Year Ended June 30, 2010**

	Primary Institution	Component Unit
Operating Revenues		
Tuition and fees (net of scholarship allowances of \$1,663,983)	\$ 4,150,500	-
Government grants and contracts	11,543,384	-
Non-government grants and contracts	523,956	-
Sales and services of educational departments	1,264,895	640,648
Auxiliary enterprises	2,270,211	-
Gain/Loss on Disposal Assets	3,523	-
Total operating revenues	<u>19,756,469</u>	<u>640,648</u>
Operating Expenses		
Instruction	14,924,903	-
Academic support	4,569,549	-
Student services	3,005,261	-
Institutional support	5,275,671	397,854
Operation and maintenance of plant	2,728,968	-
Student activities	143,235	-
Student aid	5,221,524	415,826
Public services	8,404,283	-
Auxiliary enterprises	2,099,224	-
Building renewal and replacements	633,318	-
Capital outlay	84,369	-
Depreciation and amortization	3,334,720	-
Internal services	21,294	-
Other operating	227,984	-
Total operating expenses	<u>50,674,303</u>	<u>813,680</u>
Operating loss	(30,917,834)	(173,032)
Nonoperating revenues (expenses)		
State appropriations	17,142,678	-
Local appropriations - operating	14,559,901	-
Local appropriations - debt service	6,404,776	-
State general obligation bond appropriations	3,087,087	-
Investment income	40,267	331,520
Interest expense and other related debt	(684,895)	-
Other income	331,195	-
Other expense	(4,757)	-
Net nonoperating revenues	<u>40,876,252</u>	<u>331,520</u>
Increase in net assets	9,958,418	158,488
Net assets, beginning of year	<u>66,138,217</u>	<u>5,147,861</u>
Net assets, end of year	<u>\$ 76,096,635</u>	<u>5,306,349</u>

See Notes to Financial Statements.

**STATE OF NEW MEXICO
SANTA FE COMMUNITY COLLEGE
STATEMENT OF CASH FLOWS
Year Ended June 30, 2010**

	Primary Institution
Cash Flows From Operating Activities	
Tuition and fees	\$ 4,226,575
Grants and contracts	12,759,401
Payments for educational activities	(5,364,759)
Auxiliary enterprise charges	(60,527)
Payments to suppliers, employees and others	(36,333,750)
Net cash used by operating activities	<u>(24,773,060)</u>
Cash Flows From Noncapital Financing Activities	
State appropriations	17,142,678
State bond appropriations	3,087,087
District mill levies	20,907,956
Federal loan receipts	6,123,050
Federal loan disbursements	(6,123,050)
Net cash provided by noncapital financing activities	<u>41,137,721</u>
Cash Flows From Capital and Related Financing Activities	
Purchases of capital assets	(14,765,432)
Bond proceeds	8,000,000
Principal paid on bonds and lease purchase	(5,258,834)
Interest paid on debts	(745,401)
Net cash used by capital and related financing activities	<u>(12,769,667)</u>
Cash Flows From Investing Activities	
Interest on investments	40,267
Sales of investments	534,320
Net cash provided by investing activities	<u>574,587</u>
Net increase in cash and cash equivalents	4,169,581
Cash, restricted cash, and cash equivalents, beginning of year	<u>13,961,306</u>
Cash, restricted cash, and cash equivalents, end of year	<u>\$ 18,130,887</u>
 RECONCILIATION OF NET OPERATING LOSS TO NET CASH USED BY OPERATING ACTIVITIES	
Operating loss	\$ (30,917,834)
Adjustments to reconcile operating (loss) to net cash used by operating activities	
Depreciation	3,049,964
Gain on disposal of equipment	3,523
Changes in assets and liabilities	
Receivables	820,285
Inventories	(58,633)
Other assets	(98,446)
Accounts and contractors payable	2,254,871
Accrued liabilities	101,351
Deferred revenue	106,225
Compensated absences	(34,366)
Net cash used by operating activities	<u>\$ (24,773,060)</u>

See Notes to Financial Statements.

**STATE OF NEW MEXICO
SANTA FE COMMUNITY COLLEGE
NOTES TO FINANCIAL STATEMENTS
June 30, 2010**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity. On February 2, 1983, the citizens of the Santa Fe Public School District voted in favor of supporting a two-year Junior College through a local tax levy. The Santa Fe Community College (College, Primary Institute) was created under the "Junior College Act", Sections 21-13-1 through 21-13-25 New Mexico Statutes Annotated, 1978 compilation, as amended. The purpose of the Junior College Act is to provide for the creation of local junior colleges and to extend the privilege of a basic vocational technological or higher education to all persons who are qualified to pursue the courses of study offered.

Component Unit. Component units are legally separate organizations for which the primary organization is financially accountable. Component units can also be other organizations for which the nature and significance of their relationship with a primary government are such that exclusion would cause the reporting entities financial statements to be misleading or incomplete. In addition, component units can be organizations that raise and hold economic resources for the direct benefit of a primary unit. Because of the closeness of their relationships with the primary organization, some component units are blended as though they are part of the primary organization. However, most component units are discretely presented. The College has one blended and one discretely presented component unit. The College does not have any related organizations, joint ventures or jointly governed organizations.

The following is a blended component unit:

The Santa Fe Community College Training Center Corporation (Corporation) is organized for the purpose of training and related functions, including for the planning, designing, constructing, equipping, furnishing and operating a mobile film production and transmission capability, a film science construction and training facility and training center, a biomass production, distribution and training center in accordance with the needs of the Santa Fe Community College, and for such other training related purposes as the College directs in the future. The Corporation is operated, supervised, or controlled by the Governing Board of the Santa Fe Community College. The Corporation's financial data is included in the College's financial statements.

Following is a discretely presented component unit:

Grow Santa Fe Community College Foundation (GROW) is formed to encourage, solicit, receive, and administer gifts and bequests of real and personal property and funds for scientific, educational, public service, and charitable purposes for the advancement and benefit of Santa Fe Community College and its objectives and, to that end (a) to take and to hold, either absolutely or in trust for any limitations and conditions imposed by law or the instrument under which received; (b) to sell, lease, convey, and dispose of any such

**STATE OF NEW MEXICO
SANTA FE COMMUNITY COLLEGE
NOTES TO FINANCIAL STATEMENTS
June 30, 2010**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

property, to invest and re-invest any proceeds and other funds, and to deal with and expend the principal and income for any purpose herein authorized; (c) to act as trustee; and (d) in general, to exercise any, all, and every power, including trust powers, which a nonprofit corporation organized under the laws of New Mexico for the foregoing purposes can be authorized to exercise. A copy of audited financial statements for GROW can be obtained by writing to GROW Santa Fe Community College Foundation at 6401 Richards Ave., Santa Fe, NM 87508.

Financial Statement Presentation. The financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board (GASB) issued Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*; Statement No. 35, *Basic Financial Statements and Management's Discussion and Analysis for Public Colleges and Universities*; Statement No. 37, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments: Omnibus*; and Statement No. 38, *Certain Financial Statement Note Disclosures*. The financial statement presentation required by these statements provides a comprehensive, entity-wide perspective of the College's assets, liabilities, and net assets, revenues, expenses, and changes in net assets, and cash flows, and replaces the fund-group perspective that was previously required.

The impact of adopting the above standards resulted in adding management's discussion and analysis as required supplementary information; adding a direct method statement of cash flows; classifying net assets as invested in capital assets; net of related debt; restricted and unrestricted; classifying the statement of net assets between current and noncurrent assets and liabilities and classifying revenue and expenses as operating and nonoperating.

Basis of Accounting. For financial reporting purposes, the College is considered a special-purpose government engaged only in business-type activities. Accordingly, the College's financial statements have been presented using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis, revenues are recognized when earned, and expenses are recorded when an obligation has been incurred. All significant intra-agency transactions have been eliminated.

The College has the option to apply all Financial Accounting Standards Board (FASB) pronouncements issued after November 30, 1989, unless FASB conflicts with GASB. The College has elected not to apply FASB pronouncements issued after the applicable date.

Cash and Cash Equivalents. For purposes of the statement of cash flows, the College considers all highly liquid investment with original maturities of ninety days or less to be cash equivalents. Immediate cash needs are met with resources deposited at the College's

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**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

bank. Cash resources not used are swept nightly and invested overnight. Restricted cash and cash equivalents represent amounts that are externally restricted to make debt service payments.

Investments. Investments are stated at their market value at date of gift, or at cost, if purchased by the College.

Cash resources not needed to meet immediate needs are invested with the New Mexico State Treasurer's Office short-term investment pool. Amounts invested with the State Treasurer are readily available to the College when needed and are recorded at cost which approximates fair value. The College considers cash deposited at the State Treasurer Office to be investments.

Receivables. Receivables consist primarily of amounts due from federal and state governmental entities for grants and contracts, local government entities for unremitted district mill levy collections, and student and third-party payers for student tuition and fees. The allowance for doubtful accounts is maintained at a level which, in the administration's judgment, is sufficient to provide for possible losses in the collection of these accounts.

Private Gifts, Revenue and Pledges. The Foundation records pledges receivable as assets and revenue if the pledges are evidenced by unconditional promises to give those items in the future. The Foundation considers an executed charitable gift or endowment agreement or a signed pledge card from a donor an unconditional promise. Non-cash contributions are valued at estimated fair values at date of donation.

Inventories. Inventories consist primarily of bookstore inventory, food service inventory and consumable supplies and are stated at the lower of cost (first-in, first-out method) or market.

Capital Assets. Capital assets, which include property, plant, equipment, software, and library holdings, are reported at historical cost or at fair value at date of donation, less accumulated depreciation. Renovations to buildings, infrastructure, and land improvements are capitalized when they significantly increase the value or extend the useful life of the structure. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the assets' useful lives are not capitalized. For equipment and software, the College's capitalization policy includes all items with a unit cost of \$5,000 or more, and an estimated useful life of greater than one year. Depreciation is computed using the straight-line method over the estimated useful lives of the asset, generally 50 years for building, 20 years for infrastructure and land improvements, 5 years for library books and 5 to 20 years for equipment, furnishing and software. The College has no internally

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**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

developed software. Capital assets received by GROW are immediately transferred to the College for capitalization and depreciation.

Collections. Both the College and Foundation maintain works of art and similar assets that are (a) held for public exhibition, and education in furtherance of public service rather than financial gain, (b) protected, kept unencumbered, cared for, and preserved, and (c) subject to an organizational policy that requires the proceeds of items that are sold to be used to acquire other items for collections.

Deferred Revenue and Expenditures. Revenue for each academic session is reported within the fiscal year in which the session is predominantly conducted. Revenues for the summer and fall session of 2010 are shown as deferred income.

Noncurrent Liabilities. Noncurrent liabilities include principal amounts of bonds payable and compensated absences that will not be paid within the next fiscal year.

Compensated Absences. Accumulated annual leave is reported as a liability. Annual leave is provided to full and part-time employees. Up to thirty days annual leave may be accumulated and carried over after August 31st of each year.

Classification of Net Assets. The College's net assets are classified as follows:

Invested in Capital Assets, Net of Related Debt. This represents the College's total investment in capital assets, net of outstanding debt obligations related to those capital assets. To the extent debt has been incurred but not yet expended for capital assets, such amounts are not included as a component of invested in capital assets, net of related debt.

Restricted Net Assets – Expendable. Restricted expendable net assets include resources in which the College is legally or contractually obligated to spend resources in accordance with restrictions imposed by external third parties.

Restricted Net Assets – Nonexpendable. Nonexpendable restricted net assets consist of endowment funds in which the donors have stipulated, as a condition of the gift instrument, that the principal is to be maintained inviolate and in perpetuity, and invested for the purpose of producing present and future income, which may either be expended or added to principal.

Unrestricted Net Assets. Unrestricted net assets represent resources derived from student tuition and fees, state appropriations, district mill levies, investment income, and sales and services of educational departments and auxiliary enterprises. These resources are used for transactions relating to the educational and

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**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

general operations of the College and may be used at the discretion of the governing board to meet current expenses for any purpose. These resources also include auxiliary enterprises, which are substantially self-supporting activities that provide services for faculty and staff.

State Appropriations. Unexpended state appropriations do not revert to the State of New Mexico at the end of the year. State appropriations are recognized as revenue in the first year for which they are appropriated.

District Mill Levies. District mill levies attach as an unsubordinated enforceable lien on property as of January 1 of the assessment year. Current year taxes are levied on November 1 and are due in equal semiannual installments on November 10 and April 10 of the next year. Taxes become delinquent 30 days after the due dates unless the original levy date has been formally extended. The mill levy is collected by the respective County Treasurers and is remitted to the College. The revenue on the mill levy is recognized at the date the mill is levied. The College recognizes property taxes as revenue on an accrual basis in the year in which they are first billed. The College has determined that recognizing revenues when the property taxes are levied is not feasible as the amounts have not been determined at the time the financial statements are prepared.

Deferred Revenue. Deferred revenue consists primarily of advances from contracts and grants. Revenue is recognized to the extent expenses are incurred.

Classification of Revenues. The College has classified its revenues as either operating or nonoperating according to the following criteria:

Operating Revenues. Operating revenues include activities that have the characteristics of exchange transactions such as (1) student tuition and fees, net of scholarship discounts and allowances, (2) sales and services of auxiliary enterprises, (3) federal, state, and local grants and contracts, and (4) sale of educational services. Revenue on contracts and grants are recognized to the extent that the underlying exchange transaction has occurred. Contract and grant revenues are recognized when the underlying exchange transaction has occurred – that is that all eligibility requirements have been met.

Nonoperating Revenues. Nonoperating revenues include activities that have the characteristics of nonexchange transactions, such as gifts and contributions and other revenue sources that are defined as nonoperating revenues by GASB Statement No. 9 *Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting* and GASB Statement No. 34, such as state appropriations, mill levies and investment income. Gifts and

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**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

contributions are recognized when all applicable eligibility requirements have been met. Appropriations are recognized in the year that they are appropriated, regardless of when actually received. Revenue from both the operational and retirement of debt on the General Obligation mill levy is recognized when earned by the county. Investment income is recognized in the period in which it was earned.

When both restricted and unrestricted resources are available for use, generally it is the institution's policy to use the restricted resources first.

Scholarship Discounts and Allowances. Student tuition and fee revenues, and certain other revenues from students, are reported net of scholarship discounts and allowances in the statement of revenues, expenses, and changes in net assets. Scholarship discounts and allowances are the difference between the stated charge for goods and services provided by the College and the amount that is paid by the student and/or third parties making payments on the student's behalf. Certain governmental grants, such as Pell grants, and other federal, state, or nongovernmental programs, are recorded as either operating or nonoperating revenues in the institution's financial statements.

Classification of Expenses. Expenses are classified as operating or nonoperating according to the following criteria:

Operating Expenses. Operating expenses include activities that have the characteristics of an exchange transaction, such as (1) employee salaries, benefits, and related expenses; (2) scholarships and fellowships, net of scholarship discounts and allowances; (3) utilities, supplies and other services; (4) professional fees; and (5) depreciation expenses related to College capital assets. Operating expenses are presented by program functions in the accompanying financial statements.

Nonoperating Expenses. Nonoperating expenses include activities that have the characteristics of nonexchange transactions, such as interest on capital asset and related debt and bond expenses that are defined as nonoperating expenses by GASB Statement No. 9 and GASB Statement No. 34.

Tax Status. As a state two-year junior college, the College's income is exempt from federal and state income taxes under Section 115(1) of the Internal Revenue Code to the extent the income is derived from essential governmental functions.

Management's Estimates and Assumptions. 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 amounts could differ from those estimates.

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NOTE 2. CASH AND CASH EQUIVALENTS – COLLEGE

Details of the College cash balances, custodial credit risk, and pledged collateral are disclosed in the accompanying financial statements on the Schedules of Cash and Investment Accounts, and Pledged Collateral.

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of a bank failure, the College’s deposit may not be returned to it. The College does not have a deposit policy for custodial credit risk. As of June 30, 2010 the College’s deposits were exposed to custodial credit risk as follows:

Insured	\$ 750,000
Uninsured and collateralized	
with securities held in the financial institution’s name	14,981,244
Uninsured and uncollateralized – debt service funds (New Mexico Finance Authority as Trustee)	331,686
Uninsured and uncollateralized – all other accounts	<u>2,751,480</u>
	<u>\$ 18,814,410</u>

NOTE 3. CASH AND CASH EQUIVALENTS – COMPONENT UNIT

As of June 30, 2010, GROW’s deposits were exposed to custodial credit risk as follows:

Insured	\$ 250,000
Uninsured and collateralized	
with securities held in the financial institution’s name	611,357
Uninsured and uncollateralized	<u>131,914</u>
Cash and cash equivalents per financial statements	<u>\$ 993,271</u>

At June 30, 2010, GROW had an overnight yield repurchase agreement in the amount of \$611,357 with a one-day maturity. GROW’s policy does not require pledged collateral from its Bank.

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**NOTE 3. CASH AND CASH EQUIVALENTS – COMPONENT UNIT
(CONTINUED)**

A summary of GROW’s bank balances at June 30, 2010 follows:

Description	Bank	Balance per Bank
Operating account – overnight repurchase agreement	Wells Fargo Bank	\$ 611,357
Operating account – checking	Wells Fargo Bank	40,000
Restricted account – checking	Wells Fargo Bank	<u>341,914</u>
Total amount deposited in bank		993,271
FDIC coverage		<u>(250,000)</u>
Total uninsured funds		743,271
Overnight repurchase agreement		<u>(611,357)</u>
Total uninsured funds – net of overnight repurchase agreement		<u><u>\$ 131,914</u></u>

NOTE 4. INVESTMENTS - COLLEGE

All investment decisions are approved by the Board. As of June 30, 2010, the College had unexpended plant funds totaling \$16,328,457. Through the approval of the Board of Directors for the College, the funds were invested in the New MexiGROW Local Government Investment Pool (LGIP), which is managed by the State Treasurer. These investments are valued at fair value based on quoted market prices as of the valuation date. The State Treasurer New MexiGROW LGIP is not SEC registered. Section 6-10-10 I, NMSA 1978, empowers the State Treasurer, with the advise and consent of the State Board of Finance, to invest money held in the short-term investment fund in securities that are issued by the United States government or its departments or agencies and are either direct obligations of the United States or are backed by the full faith and credit of the United States government or are agencies sponsored by the United States government. The LGIP investments are monitored by the same investment committee and the same policies and procedures that apply to all other state investments. The pool does not have unit shares. Per Section 6-10-10.1F, NMSA 1978, at the end of each month all interest earned is distributed by the State Treasurer to the contributing entities in amounts directly proportionate to the respective amounts deposited in the fund and the length of time the fund amounts were invested. Participation in the local government investment pool is voluntary.

Interest Rate Risk. According to the State Treasurer’s LGIP investment policy, the pool shall be invested in order to maintain a stable net asset value of \$1.00 per share. The weighted average maturity of investments in the pool shall not exceed 75 days. To limit the possibility of loss of principal due to interest rate fluctuations, the State Treasurer will make reasonable efforts to match investments with anticipated cash requirements and give particular emphasis to the following factors:

**STATE OF NEW MEXICO
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NOTE 4. INVESTMENTS – COLLEGE (CONTINUED)

Relative Yield to Maturity, Marketability, and Inter-market yield Analysis. The weighted average maturity of the LGIP was 50 days at June 30, 2010.

Credit Rate Risk. Under Section 59A-9-6, NMSA 1978, an insurer shall not invest in bonds rated below BAA by Moody's Investment Service, Inc. or BBB by Standard & Poor's, Inc.; as of June 30, 2009, the State Treasurer LGIP was rated AAAM by Standard & Poor's, Inc.

Concentration Risk. The College places no limit on the amount the College may invest in any one issuer. At year end, 100% of the College's investment was held in the New MexiGrow LGIP.

Total investment income for the year ended June 30, 2010, is comprised of \$40,267 of interest and dividends.

The New Mexico State Treasurer's Office (Treasurer's Office) invested a portion of the Local Government Investment Pool (LGIP) in The Reserve Primary Fund ("the Fund"), a money market fund, in fiscal years 2006, 2007, 2008 and 2009. On September 15, 2008, the balance of the LGIP's investment in the Fund was \$381.7 million. The College had balances in the LGIP at September 15, 2008. On September 16, 2008, The Reserve Primary Fund's net asset value fell below \$1.00 and holdings in the Fund were frozen.

On July 15, 2010, the Reserve announced that it will begin its seventh distribution to Primary Fund shareholders on or about July 16, 2010. The distribution, in the amount of approximately \$215 million, represents approximately 67% of the Fund's remaining asset value of \$323 million as of the close of business on July 9, 2010. Including this seventh distribution, \$50.7 billion of Fund assets as of the close of business on September 15, 2010, will not have been returned to investors. There is \$108 million still remaining with the Reserve at this time and the Treasurer's Office has no information about timing nor amounts of potential future distributions. As a result, the Treasurer's Office or the College cannot anticipate what the actual loss to the LGIP from The Reserve Primary Fund may be or when that actual loss may be realized. No actual loss has been realized to date.

As of June 30, 2010, the State Treasurer has frozen \$73,912 of the College's LGIP funds that were invested on September 15, 2009 to cover potential litigation of The Reserve Primary Fund.

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NOTE 5. INVESTMENTS – COMPONENT UNIT

Foundation Investments. The investments policy allows GROW to invest its portfolio in equities, fixed-income, alternative investments, and other investment strategies to maintain sufficient liquidity to meet projected (or budgeted) distribution requirements. GROW's investment in alternative investments at June 30, 2010 consisted of hedge funds.

A summary of investments at June 30, 2010:

	Cost	Fair Value
Money Market Mutual Funds	\$ 377,233	377,233
Equities Mutual Fund	727,719	776,954
Bond Mutual Fund	1,289,136	1,315,466
Hedge Funds	<u>1,835,060</u>	<u>1,814,872</u>
	<u>\$ 4,229,148</u>	<u>4,284,525</u>

Custodial Credit Risk. For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, GROW will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party.

A summary of the Investments held by GROW at June 30, 2010 and GROW's exposure to custodial credit risk is as follows:

Custodial Credit Risk

<u>Investment Type</u>	<u>Custodian</u>	<u>Fair Value</u>
Money Market Mutual Funds	Fidelity Investments	\$ 377,233
Equities Mutual Fund	Pershing Investments	776,954
Bond Mutual Fund	Fidelity Investments	<u>1,315,466</u>
		<u>2,469,653</u>
Hedge Funds	Caledonian	592,033
Hedge Funds	Goldman Sachs	<u>1,222,839</u>
		<u>1,814,872</u>
		<u>\$ 4,284,525</u>

Concentration of Credit Risk – Investments. Concentration risk is the risk of loss attributed to the magnitude of GROW's investment in a single issuer. Investments in any one issuer that represents 5% or more of total investments are considered to be exposed to concentrated credit risk and are required to be disclosed. Investments issued and explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments are excluded from this requirement. There were no investments in a single issuer that represents 5% or more of total investments at June 30, 2010.

**STATE OF NEW MEXICO
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June 30, 2010**

NOTE 5. INVESTMENTS – COMPONENT UNIT (CONTINUED)

Interest Rate Risk - Investments. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Currently, GROW does not have a policy to limit its exposure to interest rate risk. There were no investments held by GROW exposed to interest rate risk as of June 30, 2010.

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. GROW does not have a policy on investment credit risk.

NOTE 6. RECEIVABLES

Receivables are shown net of allowance for doubtful accounts in the accompanying statement of net assets. At June 30, 2010, receivables consisted of the following:

Current Assets		
Receivables		\$ 5,245,599
Allowance for doubtful accounts		<u>(852,791)</u>
Net receivables – current		<u>\$ 4,392,808</u>

Included in the net amount above is \$90,882 of mill levy receivable due from Santa Fe County for the 2010 fiscal year, \$1,626,347 of contracts and grants receivable, and \$238,457 in student receivables, \$446,420 due from GROW, and \$1,990,702 in other receivables.

NOTE 7. OTHER RECEIVABLES

At June 30, 2010, other receivables consisted of the following:

Dental clinic receivables	\$ 89,738
Unexpended Plant Fund	1,235,376
Facility / Food receivables	113,918
Book publishers	79,694
Various other receivables	<u>471,976</u>
	<u>\$ 1,990,702</u>

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NOTE 8. CAPITAL ASSETS

Capital assets consisted of the following as of June 30, 2010:

Note 6 - Capital Assets

	Beginning Balance	Year Ended June 30, 2010			Ending Balance
		Additions	Transfers	Retirements	
College Capital assets not being depreciated					
Land	\$ 4,350,000	\$ -	\$ -	\$ -	\$ 4,350,000
Artwork	93,811	-	-	-	93,811
Construction in-progress	3,810,404	4,817,335	(2,987,554)	-	5,640,185
	<u>\$ 8,254,215</u>	<u>\$ 4,817,335</u>	<u>\$ (2,987,554)</u>	<u>\$ -</u>	<u>\$ 10,083,996</u>
College depreciable capital assets					
Land improvements	\$ 3,477,914	-	\$ -	\$ -	\$ 3,477,914
Infrastructure	5,539,335	346,444	-	-	5,885,779
Buildings	58,479,560	9,004,829	2,987,554	-	70,471,943
Capital equipment	9,761,067	567,788	2,856	(782,030)	9,549,681
Library resources	1,256,234	29,036	-	(2,208)	1,283,062
Training Center	395,450	-	(2,856)	-	392,594
Total depreciable capital assets	<u>78,909,560</u>	<u>9,948,097</u>	<u>2,987,554</u>	<u>(784,238)</u>	<u>91,060,973</u>
Less: accumulated depreciation for					
Land improvements	2,743,328	154,453	-	-	2,897,781
Infrastructure	3,170,109	267,940	-	-	3,438,049
Buildings	16,903,253	1,171,536	-	-	18,074,789
Capital equipment	6,316,418	1,361,488	(495,080)	-	7,182,826
Library resources	1,138,025	60,714	-	-	1,198,739
Training Center	79,090	33,833	-	-	112,923
Total accumulated depreciation	<u>30,350,223</u>	<u>3,049,964</u>	<u>(495,080)</u>	<u>-</u>	<u>32,905,107</u>
College depreciable capital assets, net	<u>\$ 48,559,337</u>	<u>\$ 6,898,133</u>	<u>\$ 3,482,634</u>	<u>\$ (784,238)</u>	<u>\$ 58,155,866</u>
Capital asset summary					
College capital assets not being depreciated	\$ 8,254,215	\$ 4,817,335	\$ (2,987,554)	\$ -	\$ 10,083,996
College depreciable capital assets at cost	<u>78,909,560</u>	<u>9,948,097</u>	<u>2,987,554</u>	<u>(784,238)</u>	<u>91,060,973</u>
College total cost of capital assets	87,163,775	14,765,432	-	(784,238)	101,144,969
Less: Accumulated depreciation	<u>(30,350,223)</u>	<u>(3,049,964)</u>	<u>495,080</u>	<u>-</u>	<u>(32,905,107)</u>
College capital assets, net	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 68,239,862</u>
Component units capital assets not being depreciated	\$ 470,311	\$ -	\$ -	\$ -	\$ 470,311
Component units depreciable capital assets at cost	-	-	-	-	-
Component units total cost of capital assets	470,311	-	-	-	470,311
Less: Accumulated depreciation	-	-	-	-	-
Component units capital assets, net	<u>\$ 470,311</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 470,311</u>

**STATE OF NEW MEXICO
SANTA FE COMMUNITY COLLEGE
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NOTE 9. LONG-TERM LIABILITIES

Outstanding bonds payable are summarized as follows:

<u>Description</u>	<u>Interest Rate</u>	<u>Balance June 30, 2010</u>	<u>Final Payment</u>
<u>Maturity</u>			
Series 2003A	1.99-3.34%	837,987	6/1/13
Series 2003B	1.99-3.34%	300,092	5/1/13
Series 2005	3.10-3.15%	100,000	8/1/10
Series 2007	3.25-3.50%	15,200,000	8/1/13
Series 2009	1.00-2.00%	<u>8,000,000</u>	8/1/15
		<u>\$ 24,438,079</u>	

Future debt service for the bonds is as follows:

<u>Fiscal Year Ended</u>	<u>Principal Payments</u>	<u>Bond Discount</u>	<u>Interest</u>	<u>Total</u>
2011	\$ 8,067,018	(1,465)	583,723	8,649,276
2012	5,028,939	-	419,237	5,448,176
2013	5,292,122	-	259,909	5,552,031
2014	4,650,000	-	99,156	4,749,156
2015	900,000	-	17,875	917,875
2016	<u>500,000</u>	<u>-</u>	<u>5,000</u>	<u>505,000</u>
Total	<u>\$ 24,438,079</u>	<u>(1,465)</u>	<u>1,384,900</u>	<u>25,821,514</u>

Long-term activity for the year ended was as follows:

	<u>Balance June 30, 2009</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2010</u>	<u>Current Portion</u>
Series 1998	2,120,000	-	(2,120,000)	-	-
Series 2003A	1,100,415	-	(262,428)	837,987	270,242
Series 2003B	394,070	-	(93,978)	300,092	96,776
Series 2005	1,100,000	-	(1,000,000)	100,000	100,000
Series 2007	17,000,000	-	(1,800,000)	15,200,000	3,500,000
Series 2009	-	8,000,000	-	8,000,000	4,100,000
Subtotal	<u>21,714,485</u>	<u>8,000,000</u>	<u>(5,276,406)</u>	<u>24,438,079</u>	<u>8,067,018</u>
Bond discount	<u>(19,037)</u>	<u>-</u>	<u>17,572</u>	<u>(1,465)</u>	<u>(1,465)</u>
Total bond	<u>21,695,448</u>	<u>8,000,000</u>	<u>(5,258,834)</u>	<u>24,436,614</u>	<u>8,065,553</u>
Accrued compensated absences	<u>937,974</u>	<u>185,213</u>	<u>(219,579)</u>	<u>903,608</u>	<u>148,690</u>
Total	<u>\$ 22,633,422</u>	<u>8,185,213</u>	<u>(5,478,413)</u>	<u>25,340,222</u>	<u>8,214,243</u>

**STATE OF NEW MEXICO
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NOTE 9. LONG-TERM LIABILITIES (CONTINUED)

The bonds constitute general obligation bonds of the district, payable from general ad valorem taxes which shall be levied on all taxable property in the district in an amount sufficient to produce a sum equal to one year's interest on all bonds then outstanding, together with an amount sufficient to pay the principal on all bonds as they mature. This levy shall not exceed 3% of assessed valuation, and the College is currently at less than one percent (1%) of assessed valuation.

NOTE 10. ACCRUED LIABILITIES

At June 30, 2010, accrued liabilities consisted of the following:

Accrued benefits payable	\$ 597,862
Accrued payroll taxes	<u>262,830</u>
	<u>\$ 860,692</u>

NOTE 11. PENSION PLAN – EDUCATION RETIREMENT BOARD

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

Funding Policy. Plan members are required to contribute 7.9% of their gross salary. The College is required to contribute 11.65% of the gross covered salary. Effective July 1, 2009, plan members are required to contribute 9.4% of their gross salary and the College is required to contribute 10.9% of the gross covered salary. The contribution requirements of plan members and the College are established in State statute under Chapter 22, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. The College's contributions to ERB for the fiscal years ending June 30, 2010, 2009, and 2008, were \$2,052,421, \$2,021,947, and \$1,745,168, respectively, which equal the amount of the required contributions for each fiscal year.

**STATE OF NEW MEXICO
SANTA FE COMMUNITY COLLEGE
NOTES TO FINANCIAL STATEMENTS
June 30, 2010**

NOTE 12. ALTERNATIVE RETIREMENT PROGRAM

An amendment to the Education Retirement Act permits the establishment of an Alternative Retirement Plan (ARP) for full and part time faculty and other professional staff hired on or after July 1, 1999, with no prior service in the current Educational Retirement Act Plan. Certain employees of the College participate in the two available alternative retirement plans, TIAA-CREF and VALIC. For those employees participating in the ARP, the College contributes 7.75% to the employee's ARP and an additional 3% to ERB. For the year ended June 30, 2010, the Santa Fe Community College contributed \$122,020 to TIAA-CREF, and \$4,487 to VALIC.

NOTE 13. PREMIUM CONVERSION PLAN

Effective as of September 1, 1987, Santa Fe Community College adopted the Premium Conversion Plan, a welfare benefits plan, to provide benefits for certain of its employees. The Plan is designed to meet the appropriate requirements of the Internal Revenue Code Sections 105, 106, 125, and any other Applicable Law. It is specifically designated as a Cafeteria Plan under Code Section 125, which allows eligible employees of an employer to choose between receiving a portion of their current compensation in the form of certain welfare benefits provided under the Plan or as taxable cash income. Qualified expenditures for the tax savings plan are medical and dental insurance benefits.

NOTE 14. TAX SHELTERED ANNUITY

Santa Fe Community College submits payments for payroll deductions from individual employees who have enrolled themselves in a tax-sheltered annuity. Santa Fe Community College does not make any contribution to these tax annuity plans. The annuities are tax-sheltered retirement savings account under Section 403 (b) of the Internal Revenue Code.

NOTE 15. POST-EMPLOYMENT BENEFITS - STATE RETIREE HEALTH CARE PLAN

Plan Description. The College 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.

**STATE OF NEW MEXICO
SANTA FE COMMUNITY COLLEGE
NOTES TO FINANCIAL STATEMENTS
June 30, 2010**

NOTE 15. POST-EMPLOYMENT BENEFITS - STATE RETIREE HEALTH CARE PLAN (CONTINUED)

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

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

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

The Retiree Health Care Act (Section 10-7C-15 NMSA 1978) is the statutory authority that establishes the required contributions of participating employers and their employees. During the fiscal year ended June 30, 2010, the statute required each participating employer to contribute 1.3% of each participating employee's annual salary; each participating employee was required to contribute .65% of their salary. In the fiscal years ending June 30, 2011 through June 30, 2013 the contribution rates for employees and employers will rise as follows:

Fiscal Year	Employer Contribution Rate	Employee Contribution Rate
FY11	1.666%	.833%
FY12	1.834%	.917%
FY13	2.00%	1.000%

**STATE OF NEW MEXICO
SANTA FE COMMUNITY COLLEGE
NOTES TO FINANCIAL STATEMENTS
June 30, 2010**

**NOTE 15. POST-EMPLOYMENT BENEFITS - STATE RETIREE HEALTH
CARE PLAN (CONTINUED)**

The RHCA plan is financed on a pay-as-you-go basis. The employer, employee and retiree contributions are required to be remitted to the RHCA on a monthly basis. The statutory requirements for the contributions can be changed by the New Mexico State Legislature. The College's contributions to the RHCA for the years ended June 30, 2010, 2009 and 2008 were \$260,463, \$241,156, and \$233,045, respectively, which equal the required contributions for each year.

NOTE 16. BUDGETS AND BUDGETARY ACCOUNTING

Operating budgets for the College are submitted for approval to the Board of Directors, the New Mexico Higher Education Department (HED) and the State Budget Division of the Department of Finance and Administration (DFA). Similarly, separate legislative budget requests are submitted to the Board of Directors, HED and DFA for inclusion in the State of New Mexico Executive Budget for consideration of appropriations by the state legislature. The budgets are prepared on the fund accounting principles which were applicable prior to GASB Statement No. 34, 35, 37 and 38 (Budgetary Basis). By contrast, the College prepares its financial statements in accordance with accounting principles generally accepted in the United States of America (GAAP Basis).

Budget revision requests, other than transfers among line items within a category, are subject to joint approval by the HED and DFA.

Procedures for Approval of Operating Budgets:

1. Each institution will submit a governing board approved operating budget to the HED staff by May 1st.
2. The HED meets about the middle of June and acts on the proposed fiscal year operating budgets submitted for review and recommendation.
3. The budgets as approved by the HED are transmitted to the Budget Division of DFA for official and final approval prior to July.

Pages 31-36 of this report present a comparison of actual (budgetary basis) operations to the final revised and approved operating budget. Reconciliations are presented for differences between budgetary basis and GAAP basis.

**STATE OF NEW MEXICO
SANTA FE COMMUNITY COLLEGE
NOTES TO FINANCIAL STATEMENTS
June 30, 2010**

NOTE 17. COMMITMENTS AND CONTINGENCIES

Lease Commitment. The College has several leases for copiers. The lease terms range from 3 to 5 years. Minimum future rental payments under operating leases having remaining terms in excess of one year as of June 30, for each of the remaining four years and in the aggregate are:

2011	\$	184,798
2012		176,384
2013		152,434
2014		<u>127,028</u>
Total	\$	<u>640,644</u>

Litigation. The College is liable or contingently liable in connection with certain claims that arise in the normal course of its activities. It is the opinion of management that uninsured losses resulting from these claims would not be material to the College's financial position or operations.

NOTE 18. GENERAL LIABILITY INSURANCE

The College has general liability insurance coverage with the Zurich-American Insurance Group. The policy covers property, general liability, inland marine, auto, crime and fidelity. The College also has a \$10,000,000 per occurrence and in aggregate umbrella coverage. The policy was extended to include the Training Center and GROW Foundation. The policy period is from July 1, 2009 to June 30, 2010.

**STATE OF NEW MEXICO
SANTA FE COMMUNITY COLLEGE
BUDGET COMPARISON - UNRESTRICTED AND RESTRICTED - ALL OPERATIONS
For the Year Ended June 30, 2010**

	Original Budget	Final Budget	Actuals	Final Budget Less Actuals
Unrestricted & Restricted Beginning Fund Balance	\$ 29,135,350	31,451,544	31,451,544	-
Unrestricted and Restricted Revenues:				
State General Fund Appropriations	19,205,590	19,763,868	20,229,765	465,897
Federal Revenue Sources	7,801,184	10,201,865	8,987,847	(1,214,018)
Tuition and Fees	4,576,000	5,446,000	5,782,062	336,062
Land and Permanent Fund	-	-	-	-
Endowments and Private Gifts	-	-	-	-
Other	32,459,904	36,302,257	35,974,007	(328,250)
Total Unrestricted & Restricted Revenues	<u>64,042,678</u>	<u>71,713,990</u>	<u>70,973,681</u>	<u>(740,309)</u>
Unrestricted and Restricted Expenditures:				
Instruction	16,772,791	15,628,250	14,924,903	703,347
Academic Support	4,750,975	5,378,655	4,569,549	809,106
Student Services	3,319,586	3,530,772	3,005,261	525,511
Institutional Support	5,366,462	5,524,464	5,282,626	241,838
Operation and Maintenance of Plant	2,959,268	3,052,436	2,728,968	323,468
Student Social & Cultural Activities	88,340	173,371	143,235	30,136
Research	-	-	-	-
Public Services	9,061,191	9,481,236	8,404,283	1,076,953
Internal Services	-	107,006	-	107,006
Student Aid, Grants & Stipends	3,870,457	7,091,606	6,885,507	206,099
Auxiliary Services	2,069,694	2,186,738	2,099,224	87,514
Capital Outlay	25,115,172	22,675,589	14,192,670	8,482,919
Renewal & Replacement	464,440	1,041,440	633,318	408,122
Retirement of Indebtedness	4,695,872	5,974,358	5,961,301	13,057
Total Unrestricted & Restricted Expenditures	<u>78,534,248</u>	<u>81,845,921</u>	<u>68,830,845</u>	<u>13,015,076</u>
Net Transfers	-	-	-	-
Change in Net Assets (Budgetary Basis)	<u>\$ (14,491,570)</u>	<u>\$ (10,131,931)</u>	<u>\$ 2,142,836</u>	<u>\$ (13,755,385)</u>
Ending Net Assets	<u>\$ 14,643,780</u>	<u>\$ 21,319,613</u>	<u>\$ 33,594,380</u>	<u>\$ (13,755,385)</u>

Note: The purpose of the Budget Comparison is to reconcile the change in net assets as reported on a budgetary basis to the change in net assets as reported using generally accepted accounting principles. The reporting of actuals (budgetary basis) is a non-GAAP accounting method that excludes depreciation expense and includes the cost of capital equipment purchases. The budgetary basis approximates the fund basis of accounting.

Under title 5 of the New Mexico Administrative Code, chapter 3, part 4, paragraph 10 - Items of Budgetary Control: The total expenditures in each of the following budgetary functions will be used as the items of budgetary control. Total expenditures or transfers in each items may not exceed the amounts shown in the approved budget. A. Unrestricted expenditures and restricted expenditures. B. Instruction and general. C. Each budget function in current funds other than instruction and general. D. Within the plant funds budget: major projects, library bonds, equipment bonds, minor capital outlay, renewals and replacements, and debt service. E. Each individual item of transfer between funds and/or functions.

See accompanying Independent Auditors' Report.

**STATE OF NEW MEXICO
SANTA FE COMMUNITY COLLEGE
BUDGET COMPARISON - UNRESTRICTED - NON-INSTRUCTION AND GENERAL
For the Year Ended June 30, 2010**

	Original Budget	Final Budget	Actuals	Final Budget Less Actuals
Beginning Fund Balance	27,249,455	28,700,743	28,700,743	-
Unrestricted Revenues:				
Tuition	\$ -	-	-	-
Miscellaneous Fees	76,000	96,000	99,701	3,701
Federal Government Appropriations	-	-	-	-
State Government Appropriations	10,617,990	11,392,068	11,805,998	413,930
Local Government Appropriations	5,700,000	6,000,000	6,404,776	404,776
Federal Government Contracts/Grants	-	-	-	-
State Government Contracts/Grants	-	-	-	-
Local Government Contracts/Grants	-	-	-	-
Private Government Contracts/Grants	-	-	137,956	137,956
Endowments	-	-	-	-
Land & Permanent Fund	-	-	-	-
Private Gifts	-	-	-	-
Sales and services	3,223,055	3,271,234	3,505,955	234,721
Other	5,983,568	8,019,050	8,082,951	63,901
Total Unrestricted Revenues	25,600,613	28,778,352	30,037,337	1,258,985
Unrestricted Expenditures:				
Student Social & Cultural Activities	88,340	173,371	143,235	30,136
Research	-	-	-	-
Public Service	6,700,498	6,702,042	6,550,109	151,933
Internal Services	-	-	-	-
Student Aid, Grants & Stipends	301,457	486,164	402,979	83,185
Auxiliary Services	2,069,694	2,186,738	2,099,224	87,514
Intercollegiate Athletics	-	-	-	-
Independent Operations	-	-	-	-
Capital Outlay	25,115,172	22,675,589	14,192,670	8,482,919
Renewal & Replacement	464,440	1,041,440	633,318	408,122
Retirement of Indebtedness	4,695,872	5,974,358	5,961,301	13,057
Total Unrestricted Expenditures	39,435,473	39,239,702	29,982,836	9,256,866
Net Transfers	(179,096)	1,400,000	1,400,000	-
Change in Fund Balance (Budgetary Basis)	(14,013,956)	(9,061,350)	1,454,501	(7,997,881)
Ending Fund Balance	\$ 13,235,499	19,639,393	30,155,244	(7,997,881)

Note: The purpose of the Budget Comparison is to reconcile the change in net assets as reported on a budgetary basis to the change in net assets as reported using generally accepted accounting principles. The reporting of actuals (budgetary basis) is a non-GAAP accounting method that excludes depreciation expense and includes the cost of capital equipment purchases. The budgetary basis approximates the fund basis of accounting.

See accompanying Independent Auditors' Report.

**STATE OF NEW MEXICO
SANTA FE COMMUNITY COLLEGE
BUDGET COMPARISON - RESTRICTED - NON-INSTRUCTION AND GENERAL
For the Year Ended June 30, 2010**

	Original Budget	Final Budget	Actuals	Final Budget Less Actuals
Beginning Fund Balance	-	-	-	-
Restricted Revenues:				
Tuition	\$ -	-	-	-
Miscellaneous Fees	-	-	-	-
Federal Government Appropriations	-	-	-	-
State Government Appropriations	-	-	-	-
Local Government Appropriations	-	-	-	-
Federal Government Contracts/Grants	4,320,044	7,239,510	6,998,650	(240,860)
State Government Contracts/Grants	1,235,589	1,707,780	1,101,396	(606,384)
Local Government Contracts/Grants	187,697	145,270	118,171	(27,099)
Private Contracts/Grants	186,363	292,076	118,485	(173,591)
Endowments	-	-	-	-
Land & Permanent Fund	-	-	-	-
Private Gifts	-	-	-	-
Sales and Services	-	-	-	-
Other	-	107,006	-	(107,006)
Total Restricted Revenues	5,929,693	9,491,642	8,336,702	(1,154,940)
Restricted Expenditures:				
Student Social & Cultural Activities	-	-	-	-
Research	-	-	-	-
Public Service	2,360,693	2,779,194	1,854,174	925,020
Internal Services	-	107,006	-	107,006
Student Aid, Grants & Stipends	3,569,000	6,605,442	6,482,528	122,914
Auxiliary Services	-	-	-	-
Intercollegiate Athletics	-	-	-	-
Capital Outlay	-	-	-	-
Renewal & Replacement	-	-	-	-
Retirement of Indebtedness	-	-	-	-
Total Restricted Expenditures	5,929,693	9,491,642	8,336,702	1,154,940
Net Transfers	-	-	-	-
Change in Fund Balance (Budgetary Basis)	-	-	-	-
Ending Fund Balance	\$ -	-	-	-

Note: The purpose of the Budget Comparison is to reconcile the change in net assets as reported on a budgetary basis to the change in net assets as reported using generally accepted accounting principles. The reporting of actuals (budgetary basis) is a non-GAAP accounting method that excludes depreciation expense and includes the cost of capital equipment purchases. The budgetary basis approximates the fund basis of accounting.

See accompanying Independent Auditors' Report.

**STATE OF NEW MEXICO
SANTA FE COMMUNITY COLLEGE
BUDGET COMPARISON - UNRESTRICTED - INSTRUCTION AND GENERAL
For the Year Ended June 30, 2010**

	Original Budget	Final Budget	Actuals	Final Budget Less Actuals
Beginning Fund Balance	\$ 1,885,895	2,750,801	2,750,801	-
Unrestricted Revenues:				
Tuition	3,317,900	4,069,550	4,335,374	265,824
Miscellaneous Fees	1,182,100	1,280,450	1,346,987	66,537
Federal Government Appropriations	-	-	-	-
State Government Appropriations	8,587,600	8,371,800	8,423,767	51,967
Local Government Appropriations	13,400,000	13,750,000	14,559,901	809,901
Federal Government Contracts/Grants	-	-	-	-
State Government Contracts/Grants	-	-	-	-
Local Government Contracts/Grants	-	-	-	-
Private Contracts/Grants	-	-	-	-
Endowments	-	-	-	-
Land & Permanent Fund	-	-	-	-
Private Gifts	-	-	-	-
Other	150,000	175,000	328,258	153,258
Total Unrestricted Revenues	26,637,600	27,646,800	28,994,287	1,347,487
Unrestricted Expenditures:				
Instruction	13,338,226	13,507,640	13,499,078	8,562
Academic Support	3,007,378	2,866,186	2,863,010	3,176
Student Services	2,739,376	2,711,553	2,620,418	91,135
Institutional Support	5,366,462	5,348,518	5,262,513	86,005
Operation & Maintenance of Plant	2,842,868	2,883,484	2,660,933	222,551
Total Unrestricted Expenditures	27,294,310	27,317,381	26,905,952	411,429
Net Transfers	179,096	(1,400,000)	(1,400,000)	-
Change in Fund Balance (Budgetary Basis)	(477,614)	(1,070,581)	688,335	1,758,916
Ending Fund Balance	\$ 1,408,281	1,680,220	3,439,136	1,758,916

Note: The purpose of the Budget Comparison is to reconcile the change in net assets as reported on a budgetary basis to the change in net assets as reported using generally accepted accounting principles. The reporting of actuals (budgetary basis) is a non-GAAP accounting method that excludes depreciation expense and includes the cost of capital equipment purchases. The budgetary basis approximates the fund basis of accounting.

See accompanying Independent Auditors' Report.

STATE OF NEW MEXICO
SANTA FE COMMUNITY COLLEGE
BUDGET COMPARISON - RESTRICTED - INSTRUCTION AND GENERAL
For the Year Ended June 30, 2010

	Original Budget	Final Budget	Actuals	Final Budget Less Actuals
Beginning Fund Balance	\$ -	-	-	-
Restricted Revenues:				
Tuition	-	-	-	-
Miscellaneous Fees	-	-	-	-
Federal Government Appropriations	-	351,200	58,560	(292,640)
State Government Appropriations	-	-	-	-
Local Government Appropriations	-	-	-	-
Federal Government Contracts/Grants	3,481,140	2,611,155	1,930,637	(680,518)
State Government Contracts/Grants	1,238,305	2,025,112	1,214,271	(810,841)
Local Government Contracts/Grants	308,178	273,213	47,113	(226,100)
Private Contracts/Grants	847,149	536,516	354,774	(181,742)
Endowments	-	-	-	-
Land & Permanent Fund	-	-	-	-
Private Gifts	-	-	-	-
Sales & Services	-	-	-	-
Other	-	-	-	-
Total Restricted Revenues	5,874,772	5,797,196	3,605,355	(2,191,841)
Restricted Expenditures:				
Instruction	3,434,565	2,120,610	1,425,825	694,785
Academic support	1,743,597	2,512,469	1,706,539	805,930
Student services	580,210	819,219	384,843	434,376
Institutional support	-	175,946	20,113	155,833
Operation & Maintenance of Plant	116,400	168,952	68,035	100,917
Total Restricted Expenditures	5,874,772	5,797,196	3,605,355	2,191,841
Net Transfers	-	-	-	-
Change in Fund Balance (Budgetary Basis)	-	-	-	-
Ending Fund Balance	\$ -	-	-	-

Note: The purpose of the Budget Comparison is to reconcile the change in net assets as reported on a budgetary basis to the change in net assets as reported using generally accepted accounting principles. The reporting of actuals (budgetary basis) is a non-GAAP accounting method that excludes depreciation expense and includes the cost of capital equipment purchases. The budgetary basis approximates the fund basis of accounting.

See accompanying Independent Auditors' Report.

STATE OF NEW MEXICO
SANTA FE COMMUNITY COLLEGE
RECONCILIATION OF BUDGETARY BASIS TO FINANCIAL STATEMENT BASIS
UNRESTRICTED AND RESTRICTED - ALL OPERATIONS
For the Year Ended June 30, 2010

Total Unrestricted and Restricted Revenues:

Budgetary Basis	\$ 70,973,681
Reconciling Items:	
Scholarship allowance (not in budgetary basis)	(1,663,983)
Local bond proceeds (not in budgetary basis)	(8,000,000)
Agency funds (not in budgetary basis)	170,733
Other revenue (not in budgetary basis)	(179,352)
Revenue/expenditure classification differences	21,294
Total reconciling items	<u>(9,651,308)</u>
Total reconciling unrestricted and restricted revenues per Budgetary Basis	<u>\$ 61,322,373</u>
 Basic Financial Statements	
Operating revenues	19,756,469
Non-Operating revenues	41,565,904
Total unrestricted and restricted revenues per Financial Statements	<u>\$ 61,322,373</u>

Total Unrestricted and Restricted Expenditures:

Budgetary Basis	<u>\$ 68,830,845</u>
Reconciling Items:	
Bond Payment (not in financial statements)	(5,276,406)
Scholarship Allowance (not in budgetary basis)	(1,663,983)
Capital Outlay/renewal & replacement (not in financial statements)	(14,108,301)
Other fund items (not in budgetary basis)	(2,198)
Agency funds (not in budgetary basis)	227,984
Depreciation expense (not in budgetary basis)	3,334,720
Revenue/expenditure classification differences	21,294
Total reconciling items	<u>(17,466,890)</u>
Total reconciling unrestricted and restricted revenues per Budgetary Basis	<u>\$ 51,363,955</u>
 Basic Financial Statements	
Operating expenditures	50,674,303
Non-operating expenditures	689,652
Total unrestricted and restricted revenues per Financial Statements	<u>\$ 51,363,955</u>

**STATE OF NEW MEXICO
SANTA FE COMMUNITY COLLEGE
SCHEDULE OF DEPOSIT AND INVESTMENT ACCOUNTS
Year Ended June 30, 2010**

Account Name	Type of Account	Bank Balance	Reconciled Balance
<u>Primary Institution</u>			
Deposit			
Petty Cash	N/A	\$ -	17,677
Wells Fargo	Checking	309,631	(1,711,060)
Wells Fargo	Sweep	8,709,570	8,808,892
First National Bank	Money Market	7,133,010	8,353,179
Bank of NY	Money Market	331,686	331,686
Bank of America	Money Market	2,330,513	2,330,513
	Total	\$ 18,814,410	18,130,887
Investment			
NM Treasurer	Local Government Investment Pool	\$ 16,328,457	16,328,457
<u>Component Unit</u>			
Deposit			
Wells Fargo	Deposit	\$ 611,357	615,932
Wells Fargo	Repurchase Agreement	40,000	40,000
Wells Fargo	Restricted Deposit Account	341,914	339,835
		\$ 993,271	995,767
Investment			
1st Santa Fe Wealth Advisors	Equities Mutual Fund	\$ 776,954	776,954
1st Santa Fe Wealth Advisors	Bond Mutual Fund	1,315,466	1,315,466
1st Santa Fe Wealth Advisors	Alternative Investments	1,814,872	1,814,872
1st Santa Fe Wealth Advisors	Money Market Fund	377,233	377,233
	Total	\$ 4,284,525	4,284,525

**STATE OF NEW MEXICO
SANTA FE COMMUNITY COLLEGE
SCHEDULE OF PLEDGED COLLATERAL
June 30, 2010**

	First National Bank	Wells Fargo Deposit	Wells Fargo Repurchase	Bank of America	Total
Bank balance @ 6/30/10	\$ 7,133,010	309,631	8,709,570	2,330,513	18,482,724
FDIC Insurance	(250,000)	(250,000)	-	(250,000)	(750,000)
Uninsured public funds	6,883,010	59,631	8,709,570	2,080,513	17,732,724
50% requirement	3,441,505	29,816	-	1,040,257	4,511,578
102% requirement	-	-	8,883,761	-	8,883,761
Total collateral requirements	3,441,505	29,816	8,883,761	1,040,257	13,395,339
Collateral pledged by banks	3,454,160	294,483	9,801,846	1,666,883	15,217,372
Over (under) collateral requirements	\$ 12,655	264,668	918,085	626,627	1,822,035

	Bank of New York
Funds on deposit with no collateral requirements (New Mexico Finance Authority as Trustee) Debt Service Funds	\$ 331,686

Collateral pledged by bank's trust department

Institution	Location	CUSIP No.	Maturity	Market Value
<u>First National Bank</u>				
FGPC	Fifth Third Bank	31294JS82	04/01/13	\$ 15,745
FGPC	Fifth Third Bank	3136FJM7	08/26/13	3,031,457
FGPC	Fifth Third Bank	085279LG0	08/01/14	406,958
				<u>\$ 3,454,160</u>
<u>Wells Fargo - Covers both Deposit and Repurchase Accounts</u>				
FNMA Pool	Wells Fargo	31409CW35	06/01/36	\$ 294,483
FNCL 00850765	Wells Fargo	31408GFE2	12/01/35	623,601
FGIOH 00H00141	Wells Fargo	3128MSEN6	03/01/36	2,904,298
FNCL 00882023	Wells Fargo	31409X4G1	05/01/36	1,106,691
FNCL 00947370	Wells Fargo	31413J6F6	10/01/37	4,872,773
				<u>\$ 9,801,846</u>
<u>Bank of America</u>				
FNCL Pool - 995023	Federal Reserve Bank	31416BLC0	07/29/37	<u>\$ 1,666,883</u>

**STATE OF NEW MEXICO
SANTA FE COMMUNITY COLLEGE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2010**

Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Subaward Number	Federal Expenditures
United States Department of Education			
Federal Pell Grant	84.063		\$ 5,633,756
Federal Supplemental Educational Opportunity Grant	84.007		66,950
Academic Competitiveness Grant	84.375		46,703
Federal Work-Study Grant	84.033		53,694
* Subtotal Student Financial Aid Cluster			<u>5,801,103</u>
Title V	84.031		218,428
Vocational Access - Title I - Basic Grant	84.048		71,475
* Vocational Access - Tech Prep	84.243		551,743
TRIO - Student Support Services	84.042A		236,551
TESOL - Title III	84.195N		52,148
			<u>1,130,345</u>
Passed through New Mexico Higher Education Department			
ARRA - State Fiscal Stabilization Fund	84.394	SFCC-975-1	58,560
Adult Education	84.002	V002A080031	226,922
			<u>285,482</u>
Passed through New Mexico Highlands University			
ENLACE - Gear-up	84.348	Q01328,P0071952	<u>115,642</u>
Total Department of Education			<u>7,332,572</u>
United States Department of Agriculture			
USDA Forest Service	10.670		68,035
Passed through New Mexico Children Youth & Family			
Child Care Food Program	10.558	294	<u>42,284</u>
Total United States Department of Agriculture			<u>110,319</u>
United States Department of Defense			
Procurement Technical Assistance (P.T.A.P)	12.002		<u>214,260</u>
United States Department of Health and Human Services			
Passed through New Mexico Children Youth & Family			
Child Care Development Fund Cluster			
Early Child Care	93.575	10-690-9999-01-006	219,543
Child Care Access	93.596	10-690-9999-01-006	12,881
ARRA - Child Care and Development Block Grant	93.713	10-690-9999-01-006	60,123
Total - Child Care Development Fund Cluster			<u>292,547</u>
United States Environmental Protection Agency			
Environmental Protection - H.E.L.P	66.950		<u>30,677</u>

**STATE OF NEW MEXICO
SANTA FE COMMUNITY COLLEGE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2010**

Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Subaward Number	Federal Expenditures
United States Small Business Administration			
* Small Business Administration	59.037		<u>647,844</u>
Corporation for National and Community Service			
Passed through Central New Mexico College			
Learn and Serve America	94.005	2136-8224A	<u>24,796</u>
United States Department of Labor			
Passed through Department of Workforce Solutions			
* Workforce in Innovation	17.268	09-631-004-0053	<u>380,197</u>
National Science Foundation			
Passed through New Mexico State University			
NM Alliance for Minority Participation	47.076	Q01328,P0071952	<u>8,629</u>
Total Federal Expenditures			<u><u>\$ 9,041,841</u></u>

* Denotes Major Program

**STATE OF NEW MEXICO
SANTA FE COMMUNITY COLLEGE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
Year Ended June 30, 2010**

Note 1.

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Santa Fe Community College and is presented on the accrual basis of accounting.

Note 2.

During the year ended June 30, 2010, various lenders made loans to students as follows:

	CFDA No.	Disbursements
Federal Family Education Loan Program	84.032	\$ 6,123,050

Note 3.

Of the federal expenditures presented in the Schedule of Expenditures of Federal Awards, the College provided federal awards to subrecipients as follows:

Program Title	CFDA No.	Amount Provided to Subrecipient
Title V Co-Op	84.031	\$ 36,167
U.S. Small Business Administration-New Mexico	59.037	
Small Business Subcenters:		
Central NM Community College		21,689
Central NM Community College – South Valley		21,689
Clovis Community College		21,689
Dona Ana Community College		21,689
Eastern New Mexico University – Roswell		21,689
Luna Community College		21,689
Mesalands Community College		21,689
New Mexico Junior College		21,689
Northern NM Community College		21,689
NM State University – Alamogordo		21,689
NM State University – Carlsbad		21,689
NM State University – Grants		21,689
Santa Fe Community College		21,689
San Juan College		21,689
UNM – Gallup		21,689
UNM – Los Alamos		21,689
UNM – Valencia		21,689
Western NM University		21,689
Total		<u>\$ 390,402</u>

Note 4.

There was no non-cash assistance provided by the College for the fiscal year ending June 30, 2010.

**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 the Board of Directors of
Santa Fe Community College
and
Mr. Hector H. Balderas
New Mexico State Auditor

We have audited the basic financial statements of Santa Fe Community College (College) and its discretely presented component unit, and the budget comparison presented as supplemental information as of and for the year ended June 30, 2010, and have issued our report thereon dated November 15, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control that we considered to be material weaknesses as defined above.

Santa Fe Community College
and
Mr. Hector H. Balderas
New Mexico State Auditor

However, we identified certain deficiencies in internal control over financial reporting, described in the accompanying schedule of findings and questioned costs that we consider to be significant deficiencies in internal control over financial reporting as items 10-01 through 10-03. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the College's basic financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our audit disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

The College's response to the finding identified in our audit is described in the accompanying schedule of findings and responses. We did not audit the College's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the Board of Directors, management, the College, the Higher Education Department, the State Auditor, and federal awarding agencies and pass-through entities and is not intended to be, and should not be used by anyone other than these specified parties.

Mess Adams LLP

Albuquerque, New Mexico
November 15, 2010

**Report on Compliance With
Requirements That Could Have a Direct and Material
Effect on Each Major Program
and on Internal Control over Compliance in
Accordance with OMB Circular A-133**

To the Board of Directors of
Santa Fe Community College
and
Mr. Hector H. Balderas
New Mexico State Auditor

Compliance

We have audited the compliance of Santa Fe Community College (College) with the types of compliance requirements described in the US Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended June 30, 2010. The College's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the College's management. Our responsibility is to express an opinion on the College's compliance based on our audit.

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

In our opinion, the College complied, in all material respects, with the requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2010. However, the results of our auditing

To the Board of Directors of
Santa Fe Community College
and
Mr. Hector H. Balderas
New Mexico State Auditor

procedures disclosed one instance of noncompliance with those requirements, which is required to be reported in accordance with OMB Circular A-133 and which is described in the accompanying schedule of findings and questioned costs as item 10-04.

Internal Control Over Compliance

The management of the College is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the College's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the College'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 significant deficiencies or material weaknesses and, therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as discussed below, we identified a deficiency in internal control over compliance that we consider to be a significant deficiency.

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

To the Board of Directors of
Santa Fe Community College
and
Mr. Hector H. Balderas
New Mexico State Auditor

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 in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 10-04 to be a significant deficiency.

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

This report is intended solely for the information and use of the Board of Directors, management, the College, the Higher Education Department, the State Auditor, the cognizant audit agency and other federal audit agencies and is not intended to be, and should not be used by anyone other than these specified parties.

Mess Adams LLP

Albuquerque, New Mexico
November 15, 2010

**STATE OF NEW MEXICO
SANTA FE COMMUNITY COLLEGE
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
Year Ended June 30, 2010**

Finding 2009-01	Cash Management Compliance	Resolved
Finding 2009-02	Schedule of Expenditures of Federal Awards – Identification and amounts	Resolved
Finding 2009-03	Subrecipient Monitoring	Resolved

**STATE OF NEW MEXICO
SANTA FE COMMUNITY COLLEGE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2010**

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

- Material weakness(es) identified? _____ yes X no
- Significant deficiencies(s) identified that are not considered to be material weaknesses? X yes _____ none reported

Noncompliance material to financial statements noted? _____ yes X no

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? _____ yes X no
- Significant deficiency(s) identified that are not considered to be material weaknesses? X yes _____ none reported

Type of auditor's report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133? X yes _____ no

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
84.063, 84.007, 84.375, 84.033 84.032	Student Financial Aid Cluster
84.243 59.037 17.268	Vocational Access – Tech Prep Small Business Administration Workforce In Innovation

Dollar threshold used to distinguish between type A and type B programs: \$ 300,000

Auditee qualified as low-risk auditee? X yes _____ no

**STATE OF NEW MEXICO
SANTA FE COMMUNITY COLLEGE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
Year Ended June 30, 2010**

Section II - Financial Statement Findings

10-01 Segregation of Duties over Accounts Payable

CONDITION

The Accounts Payable Manager is able to enter vendors, prepare invoices, and disburse payments via the Direct Pay process with no mitigating control.

CRITERIA

Proper internal control structure requires an appropriate segregation of duties so as to provide reasonable assurance with regard to the reliability of financial reporting, effectiveness and efficiency of operations, and compliance with applicable laws and regulations.

EFFECT

The ability of the Accounts Payable Manager to enter vendors, prepare invoices, and disburse payments with no oversight creates an internal control design flaw which may allow for inappropriate and potentially material disbursements to be effected.

CAUSE

When designing controls, the need to ensure that more than one individual is able to enter vendors was not appropriately reconciled with the need for a prompt payment cycle over certain obligations such as remission to the bank for P card purchases.

RECOMMENDATION

We recommend that the function of entering vendors be segregated from the ability to make disbursements. We also recommend that at least one level of independent review be instituted over Direct Pay disbursements.

MANAGEMENT RESPONSE

The Accounts Payable Manager will no longer have access to set up vendors in the Banner system. Direct pay invoices will be reviewed by the Purchasing Office and new vendors set up before invoices are processed for payment by the Accounts Payable Manager.

**STATE OF NEW MEXICO
SANTA FE COMMUNITY COLLEGE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
Year Ended June 30, 2010**

10-02 Segregation of Duties over P-Card Transaction Limits

CONDITION

The Purchasing Director and Purchasing Specialist both possess P-cards and have the ability to alter their single transaction and monthly transaction limits with no mitigating control.

CRITERIA

Proper internal control structure requires an appropriate segregation of duties so as to provide reasonable assurance with regard to the reliability of financial reporting, effectiveness and efficiency of operations, and compliance with applicable laws and regulations.

EFFECT

The circumstance of the Purchasing Director and Purchasing Specialist both possessing P-cards and having the ability to set their own limits represents an internal control design flaw which may allow inappropriate and potentially material disbursements to be effected.

CAUSE

The need to create a backup structure for emergency purchases coupled with a desire for maximum efficiency in the P-card cycle caused a flaw in the internal control design.

RECOMMENDATION

We recommend that, at a minimum, individuals who possess P-cards should not be allowed to set their own transaction limits. Ideally, the functions of approving a P-card, holding a P-card, setting transaction limits, and reviewing P-card transactions should be segregated.

MANAGEMENT RESPONSE

A new group will be created within the P-card system that controls the Purchasing Director and Purchasing Specialist P-card transaction limits to be administered by the Associate Vice President for Finance and Administration.

**STATE OF NEW MEXICO
SANTA FE COMMUNITY COLLEGE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
Year Ended June 30, 2010**

10-03 Component Unit - Bank Reconciliations Not Reviewed

CONDITION

Monthly bank reconciliations over cash accounts are not being effectively reviewed.

CRITERIA

Proper internal control structure requires an appropriate segregation of duties so as to provide reasonable assurance with regard to the reliability of financial reporting, effectiveness and efficiency of operations, and compliance with applicable laws and regulations.

EFFECT

The lack of bank reconciliation review causes an internal control design flaw which may result in a misstatement of the cash balance.

CAUSE

Recent turnover in the GROW accounting office resulted in inappropriate change to the design of the control structure.

RECOMMENDATION

We recommend GROW institute a procedures and policies to ensure at least one level of independent review over the monthly bank reconciliations.

MANAGEMENT RESPONSE

The College Accounting Office will review and approve the bank reconciliations on a monthly basis.

**STATE OF NEW MEXICO
SANTA FE COMMUNITY COLLEGE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
Year Ended June 30, 2010**

Section III - Federal Award Findings and Questioned Costs

10-04 Time and Effort Reporting

Federal Agencies:

CFDA 84.031	Title V
CFDA 59.037	Small Business Administration
CFDA 17.268	Workforce in Innovation

Questioned Costs: None

CONDITION

The payroll distribution system does not provide for the confirmation of activity allocable to each sponsored agreement for salaried employees.

CRITERIA

OMB Circular A-21, *Cost Principles for Educational Institutions*, requires that the apportionment of employees' salaries and wages which are chargeable to more than one sponsored agreement or other cost objective must recognize the principle of after-the-fact confirmation or determination so that costs distributed represent actual costs, unless a mutually satisfactory alternative agreement is reached.

EFFECT

Because no after-the-fact confirmation is prepared, the apportionment of the wages of salaried employees is uncertain. This results in the wages of all salaried employees to be questioned costs.

CAUSE

The Grants Office was not aware of requirements of this portion of OMB Circular A-21.

RECOMMENDATION

We recommend that the College implement a payroll distribution system approved by OMB Circular A-21, such as After-the-Fact Activity Records. Under this plan, activity reports estimating the employee's activity to different sponsored agreements or objectives are prepared at least every academic term but no less frequently than every six months. The amount of activity expended by an individual is then updated to appropriately reflect the actual activity expended. The record is then certified by an individual familiar with the work.

**STATE OF NEW MEXICO
SANTA FE COMMUNITY COLLEGE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
Year Ended June 30, 2010**

10-04 Time and Effort Reporting (continued)

MANAGEMENT RESPONSE

The College is currently working on setting up a system for time and effort reporting for salaried employees paid by a sponsored agreement requiring supervisor approval.

**STATE OF NEW MEXICO
SANTA FE COMMUNITY COLLEGE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
Year Ended June 30, 2010**

**Section IV - OTHER FINDINGS, AS REQUIRED BY NEW MEXICO STATE
STATUTE, SECTION 12-6-5, NMSA 1978**

None

**STATE OF NEW MEXICO
SANTA FE COMMUNITY COLLEGE
EXIT CONFERENCE
June 30, 2010**

The contents of this report were discussed in the exit conference held on November 8, 2010, with the following in attendance:

Representing Santa Fe Community College:

Linda Siegle, Board Member
Dr. Sheila Ortego, President
Meridee Walters, Vice President of Finance and Administration
Gilda Espinoza, Associate Vice President of Finance and Administration

Representing GROW Santa Fe Community College Foundation:

Gilda Espinoza, Associate Vice President of Finance and Administration (College)

Representing Moss Adams LLP:

Scott Eliason, Partner
Tom Downey, In-Charge Accountant

The financial statements were prepared with the assistance of Moss Adams LLP from the books and records of Santa Fe Community College.